

# CITY OF LAKE ELSINORE

ANNUAL OPERATING BUDGET FISCAL YEAR 2023-2024





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# INTRODUCTION

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# CITY OF LAKE ELSINORE

## **CITY COUNCIL**

Natasha Johnson, Mayor  
Steve Manos, Mayor Pro Tem  
Robert E. Magee  
Timothy J. Sheridan  
Brian Tisdale

## **CITY TREASURER**

Allen Baldwin

## **CITY MANAGER**

Jason Simpson

## **ASSISTANT CITY MANAGER**

Shannon Buckley

130 South Main Street  
Lake Elsinore, California 92530  
(951) 674-3124  
[www.lake-elsinore.org](http://www.lake-elsinore.org)







## Transmittal Letter

City Manager - Jason Simpson

June 13, 2023

The Honorable Mayor and Members of City Council:

On behalf of City Staff, it is my privilege to present the Annual Operating Budget for FY2023-2024 for the City of Lake Elsinore. This year's budget represents the City's commitment to providing high quality municipal services, while supporting our residents and their priorities and making sound financial decisions to remain sustainable. This budget document serves not only as a financial plan for the immediate future, but also as a management and communications tool outlining the City Council's vision and key initiatives for the year.

The FY2023-2024 proposed Annual Operating Budget has been developed after a considerable review process. Departmental budget submittals were prepared and reviewed by line item in connection with projected revenues and detailed performance objectives. Five-year revenue and expenditure projections were developed to identify the future impacts of proposed staffing and program changes, as well as the impact of proposed capital improvement projects. The result is this document: a conservative budget that provides for quality services while effectively utilizing available resources.

### City of Lake Elsinore Profile

The City of Lake Elsinore is a community comprised of approximately 71,898 citizens. The City maintains 20 parks on 173 acres throughout the community, which provides recreation opportunities for both the citizens of Lake Elsinore, as well as surrounding communities. Police and Fire protection are provided through a contract with Riverside County. The Lake Elsinore Unified School District provides 23 schools for 21,565 students. The City of Lake Elsinore prides itself on its community focus and quality of life.

Lake Elsinore residents enjoy a perfect climate, blue sky, clean air, world-famous thermal winds for aerial sports and, their crowning jewel, a sparkling 3,000-acre recreational lake for exciting water sports. All of this is set against the spectacular Ortega Mountains and Cleveland National Forest, providing opportunities for hiking, biking, bird watching or just plain relaxing in the beauty that abounds in this outdoor recreation destination. It is impossible to review the economic forces affecting Lake Elsinore and the Inland Empire without predicting a prospering future for the City. The region's geographic location, competitive cost structure and sophisticated logistics have put it in a position to remain one of the fastest growing communities in the Inland Empire.

### Economic Indicators

The City of Lake Elsinore continues a march of economic expansion and increased economic opportunities for residents within both the community and the region.

- Population: 71,898 July 1, 2022 up 2.4% from April 1, 2020 (Source: United States Census Bureau).
- Unemployment: Lake Elsinore - as of July 2023 is 4.9%, County of Riverside - 5.0%, and State of California - 4.6% (Source: EDD).
- Number of Households: 19,162 in 2022 from 18,394 in 2021.
- Average Household Income: \$80,350 in 2023 down \$4,186 from 2022.
- Median Home Value: \$366,200 in 2020 to \$392,200 in 2021 (Source: 2021 US Census Bureau).

As the pandemic's impact on the workforce continues, it is anticipated the unemployment rates will continue to rise over the coming months.

### Impact of Legislation on the Budget

A number of legislative changes have profound fiscal impacts on the City, including:

American Rescue Plan Act of 2021

On March 12, 2021, the American Rescue Plan Act (ARPA) was signed into law. ARPA allocated \$350 billion to state, local, territorial, and Tribal governments to respond to the COVID-19 public health emergency or its negative economic impacts. The City of Lake Elsinore is expected to receive \$14,967,198 over the next two fiscal years. The City developed a plan for the use of these funds. Both the Operating and Capital Improvement Program budgets reflect the use of these funds.

Measure Z

On November 3, 2020, residents of the City of Lake Elsinore voted in favor of Measure Z, a locally controlled one cent, or one percent, transaction and use tax to generate unrestricted general fund dollars to address City service, public safety, and local recovery needs. Measure Z will ensure the City is self-reliant for current public safety needs and is prepared for any health or catastrophic emergency.



Nearly all the sales tax generated locally goes to the State or the County. Measure Z requires all funds to be used in Lake Elsinore, ensuring that a higher percentage of sales tax dollars are local for City services. By law, no Measure Z funds can be taken by the state, county, or federal government.

#### California Senate Bill 1383

On January 1, 2022, California Senate Bill 1383 will go into effect, requiring the recycling of organic waste. The law is in response to a statewide effort to reduce emissions of short-lived climate pollutants (SLCP) to achieve the state's climate goals and the 75 percent organic waste diversion goal by 2025. The financial impact to the City's budget is not yet fully known, but it is anticipated that the City will provide administrative oversight for the program and potential economic impacts to commercial development are expected.

### 2023-2024 Goals and Objectives

During the 2013-14 Fiscal Year, the City Council adopted the City's Vision Statement. The Vision Statement is used as:

1. A tool in the employee hiring/selection process,
2. A guide in conducting city business, and
3. A statement to the citizens affirming what the City as an organization stands for, and the level of service they can expect from the City.

The City Council established the following FY2023-2024 budget guidelines, or key initiatives, with fiscal stability and community responsibility as they relate to the City's Vision Statement, Public Safety, Recreation, Transportation, Economic Development, Education and Service. These guidelines were then used by each Department to develop Short Term Objectives for completion in the upcoming fiscal year and are reflected in the Department Information section of the budget document.

### Objectives and Performance Measures

The budget document has been formatted to detail the short-term operational objectives for completion in FY2023- 2024, and the performance measures for evaluating the completion of those objectives. These objectives were developed in a collaborative process with all City staff members in order to collaboratively identify where each department can contribute to the overall long-term goals of the City. The objectives were then used by the departments to justify their Proposed Annual Operating Budget submittals. The short-term objectives are detailed by the Department in the Departmental Information section of this budget document.

Each Department section also includes the objectives and performance measures, along with significant accomplishments, and a detail of the expenditure requests and personnel allocation which will be used to meet objectives. The objectives were then used by the departments to identify and justify their Annual Operating Budget submittals.

### Long-Range Financial Forecast

Prior to the passage of Measure Z, the ten-year financial projection reflected a structural deficit as expenditures were increasing at a faster rate than revenues. The rising cost of Public Safety was the main cause of the deficit. Currently, the rising cost of Public Safety will continue to weigh on the City's finances. However, new projections that include Measure Z show a budget surplus for the City. A trend that should continue throughout the next ten years.

### General Fund Analysis

Fiscal Year 2023-24 Ending Fund Balance is projected to be \$17,325,179. Total Reserves, at 26.4% of expenditures, total \$16,300,179, with another \$1,025,000 as non-spendable.

### General Fund Revenue Highlights

FY2023-24 General Fund revenues are projected to reach \$68,487,600 million, an increase of \$2,770,090 or 4.22% from FY22-23 and reflects continued growth of the local economy. The City has continued to work with the Chamber of Commerce and Visitor's Bureau in its effort to encourage the expansion and relocation of industries that generate local sales tax and employment opportunities. The City has also worked with these organizations to develop and market Lake Elsinore as a tourist destination.

- Sales and Use Tax (\$17,543,480) is projected to increase 7.36% compared to the prior fiscal year as retail establishments have reopened and are seeing rebounding sales activity.
- Property Taxes (\$11,144,290) are projected to increase, or 5.16%, as a function of continued building activity and as Proposition 8 reassessments continue to reverse increasing the overall assessed valuation of homes in Lake Elsinore.
- Licenses and Permits: (\$2,388,390) are projected to decrease by \$736,023 or 23.56%.
- Fees: (\$5,993,910) are projected to increase by \$69,177 or 1.17%, remaining constant from the previous year.
- Fines & Forfeitures: (\$987,050) are projected to increase 1.5% from FY 22/23.
- Special Assessments: These special taxes are assessed to all real property owners. They are used for ongoing operation and maintenance of the City's parks, open space, storm drains, street lighting along with public safety services. These assessments are anticipated to be \$6,989,360, an increase of \$884,902, which represents 10.2% of the General Fund revenues.





- Franchise and Other Tax: An overall decrease of \$643,990 from FY 22-23 to a projected FY 23-24. Franchise fees are the amount of fees paid by phone, cable, natural gas, refuse collection, and electricity companies for use of the public right of way. Other taxes include the City's Transient Occupancy Tax (TOT) and Property Transfer Tax.

### **General Fund Expenditure Highlights**

The City's Operating Budget of the General Fund is projected to be \$68,487,600 in FY 2023-2024. This proposed expenditure level results in an increase of \$2,749,560 or 4.18%. The increase is due primarily to the continuing rising public safety contract costs. The City contracts with Riverside County to provide both Police and Fire Services. Public safety continues to represent the largest single portion of the General Fund operating budget at 46.6%. Proposed expenditures for Police, Fire Services, Animal Control, and Emergency Services total \$31,912,450, an increase of \$1,893,870.

- Police (\$18,652,220) is an increase of \$709,650 or 3.96%, over the prior year.
- Fire Suppression (\$11,004,250) has increased by 6.72% over the prior year.
- Fire Prevention (\$846,030) decreased by 1.55%
- Animal Services (\$987,500) increased by 9.11%
- Emergency Services (\$422,450) new department within the City of Lake Elsinore

### **General Fund Ending Fund Balance**

The Ending Fund Balance, as of June 30, 2024, is projected to be \$117,114,542. With the Economic Uncertainty Reserve fully funded at \$13,697,520 which represents 20% of General Fund Expenditures.

### **Major Special Revenue Funds**

Special Revenue Funds are used to account for activities paid by taxes or other designated revenue sources that have specific limitations on use according to law. The Major Special Revenue funds are highlighted below.

- Gas Tax: Revenue is estimated to be \$2,051,900 in FY 2023-2024, which reflects an increase of \$243,398 or 13.46% due to the increased prices for gasoline.
- Road Maintenance and Rehabilitation (RMRA): Established to address deferred maintenance on State Highway System and the local street and road system. RMRA funds are estimated to be \$1,772,440, which will be allocated in the Capital Improvement Program.
- Measure A: Revenues are projected at \$2,299,000, which reflects a 13.58% increase over the prior year. This revenue is restricted to the use on local streets and roads and is programmed in the Capital Improvement Program.
- CDBG: Revenue is projected to be \$1,042,020, which includes the reimbursement for Capital projects expected to be completed during the fiscal year.
- Citywide Lighting, Landscape, and Maintenance Districts: This special tax is assessed on all real property. The District was formed to provide a source of funds for the installation, servicing, maintenance, repair, and operation of street lighting (including traffic signals), landscaping, street trees, and appurtenant facilities within the District. The special tax is projected to increase by \$526,547 or 31.96% from the prior year.
- PEG: Revenues are received from local cable operators for the sole purpose of supporting the access facilities within the City. PEG revenues are projected to be \$20,231, which will be spent on various technology equipment used for the broadcast of City Council meetings and events.

### **Internal Services Funds**

Internal Service Funds are used to account for the funding of goods and services provided by one department to other benefitting departments on a cost-reimbursement basis. Additionally, the City maintains several Replacement Funds designed to accumulate resources for the future replacement of City equipment, technology, and facilities.

- Insurance Fund: Projected expenses total \$956,457, which covers the cost of administering the City's liability, worker's compensation, and property insurance programs.
- Information Technology Fund: Projected expenses total \$2,518,470, which provides for the operation and management of the City's computer and telephone systems.
- Support Services Fund: Projected expenses \$108,720, which provides for the operation of the City's central printing and mail activities.
- Vehicle and Equipment Fund: Projected expenses total \$1,834,035, which provides for the operation and replacement of City vehicles and heavy equipment that have reached the end of their useful life.
- Facilities Fund: Projected expenses total \$1,050,310, which provides for the operation, maintenance, and replacement of City buildings, equipment, systems, and fixtures within City-owned facilities.

### **Lake Elsinore Public Finance Authority**

The Lake Elsinore Public Finance Authority (LEPFA) is a joint exercise of powers between the City of Lake Elsinore and the Lake Elsinore Redevelopment Agency, created by a joint powers agreement dated July 25, 1989. The purpose of the LEPFA is to provide financing for public capital improvements for the City and the former Redevelopment Agency. Revenue includes investment earnings and expenditures are restricted to debt service payments.



### **Lake Elsinore Recreation Authority**

The Lake Elsinore Recreation Authority is a joint exercise of powers between the City of Lake Elsinore and the Lake Elsinore Redevelopment Agency created by a joint powers agreement dated December 1, 1996. The purpose of the Lake Elsinore Recreation Authority is to provide, through the issuance of revenue bonds, a financing pool to fund capital improvement projects. These revenue bonds are to be repaid solely from the revenue of certain public obligations.

### **Lake Elsinore Facilities Financing Authority**

On September 13, 2016, City Council formed the Lake Elsinore Facilities Financing Authority consisting of the City and the Parking Authority to issue lease revenue bonds. The use of lease revenue bonds to finance general infrastructure is commonly used by cities in California. Under this financing structure, a joint powers authority is utilized for the sole purpose of issuing bonds for the benefit of the issuer.

### **Successor Agency to the Redevelopment Agency (SARDA)**

SARDA obligations are paid with Property Tax Increment dollars that were formerly allocated to the Redevelopment Agency. Expenditures for FY 2022-2023 total \$10,336,180.

### **Capital Improvement**

The City's five-year Capital Improvement Plan (CIP) is presented to the City Council under a separate cover. This program provides a multi-year plan for capital improvements that is updated annually to ensure compliance with the program. The impact of capital projects on maintenance and operating costs were taken into consideration in the development of the operating budget. Circulation, Facilities, Infrastructure, Park, and Successor Agency projects are identified in the CIP budget with estimated current year costs totaling \$78,170,860.

### **2023-2024 Authorized Staffing**

The City continues to restructure the organization to ensure core staffing, internally, and externally, is in place to meet current and future economic opportunities, while also providing the highest level of service. The City has established a policy of annually focusing on reorganizing department structures in an effort to streamline processes and enhance efficiencies without reducing essential public services to the community. The total authorized positions for FY 2023-2024 is 202, five of which are City Council members, five City Planning Commissioners, five Public Safety Advisory Commissioners, and one Treasurer, leaving 134 regular full-time equivalent positions, 16 unfunded, and 52 part-time positions.

### **Five-Year Forecast**

A five-year forecast is developed as part of the budget process to assist in the long range planning and policy development. The five-year forecast provides a tool to evaluate the ability of the City to fund proposed programs, operating costs, and meet the operational requirements of capital improvement projects in the future. For FY 2023-2024, General Fund revenues are projected to match expenditures and transfer out while fully funding the uncertainty reserve at 20% of total expenditures. The ending fund balance is projected to be \$17,325,179. The value of long-range fiscal planning is to proactively alert decision makers early enough to course-correct, and implement the necessary measures to ensure long-term fiscal solvency. The City of Lake Elsinore is fortunate to only be 33% built out and has a lot of room for future revenue growth. In order to remain fiscally solvent, the City must address these rising public safety costs to ensure ongoing revenues are adequate to cover ongoing expenditures. With the passage of Measure Z, the City is in a better position to meet its future obligations. However, the City will have to study alternative, more cost-effective law enforcement delivery models. Additionally, City management staff created several possible scenarios comprising expenditure reduction measures that will be necessary to balance the General Fund and ensure long-term fiscal solvency.

### **General Financial Policies**

#### **Accounting, Auditing, and Financial Reporting Policy**

The City of Lake Elsinore receives an independent audit annually and maintains a solid internal audit capacity. The City prepares all annual financial reports in strict compliance with Generally Accepted Accounting Procedures (GAAP), as outlined by the Governmental Accounting Standards Board (GASB). The City maintains a strong system of internal controls, which has resulted in an unqualified audit opinion for the past several years.

#### **Reserve Policy**

The City Council previously identified an objective of developing and maintaining a reserve in the General Fund for economic uncertainties and contingencies at 20%.





**Conclusion**

The FY 2023-2024 Operating Budget demonstrates the City Council's continued investment in Public Safety and other services as the City moves forward out of the effects of COVID-19. I am committed to working with the City Council to develop viable solutions in the coming year to ensure that the City's operating revenues are sufficient to cover its operating expenditures, while maintaining adequate reserves.

I would like to express my appreciation to the City Council for providing the direction and support which are crucial to the ability of the City to achieve its goals. I would also like to recognize the contributions of every staff member to creating a successful operating budget. I would also like to give a special thanks to our Elected Treasurer, Allen Baldwin, for his dedication and commitment to the City. His oversight of the budget process is invaluable.

I commend the Mayor, Budget Committee, members of the City Council and Management for their continued interest, dedication, and support in conducting business on behalf of the Citizens of Lake Elsinore in a responsible and progressive manner while still preserving the economic quality of the City.

Respectfully submitted,

Jason Simpson  
City Manager

# Strategic Plan



The City of Lake Elsinore adopted in July 2020, the Dream Extreme 2040 Plan. This is the city's first long term strategic plan to assist the city in its pursuit of achieving its vision. The plan serves as a living document that will be updated regularly to provide a framework to guide all decision making over the next 20 years by identifying key Anchors, Aspirations, and Strategies. Anchors are the unique community assets and opportunities of Lake Elsinore (The Lake, Downtown, and Action Living). The Aspirations encapsulate what we hope to achieve in Lake Elsinore's future. Finally, the Strategies comprise potential actions that the City can implement in order to achieve the aspirations. All strategies relate back to one or more anchors.

## **Anchors for the City of Lake Elsinore**



Anchors are assets that make the City unique—they are what make Lake Elsinore special and what will drive the future of our community. While a wide range of possibilities can be imagined for Lake Elsinore's future, structuring the vision plan around these three anchors helps to guide the City's decision making and efforts focus on the assets that matter most to the Lake Elsinore community.

- The Lake - The Lake shapes the City's identity, supports an ecosystem rich with natural beauty, and offers unique recreational opportunities. The largest natural freshwater lake in Southern California, Lake Elsinore enables both extreme activities and everyday recreation. As the terminus of the San Jacinto River, Lake Elsinore faces unique ecological challenges. Protecting, enhancing, and celebrating the Lake is critical to Lake Elsinore's City and community health.
- Downtown - Lake Elsinore's Downtown is a vibrant central hub that brings the community together. Enhancing the quality of the Downtown experience and building its strong sense of place will shape the City's identity as a unique place to live, work, and play.
- Action and Adventure - The City has long been a destination for action sports and extreme activities. The community embraces life and dares to push the boundaries to achieve its goals. Lake Elsinore's programs, facilities, and natural environment will define the City as a destination for action and adventure for both visitors and residents.

## **Aspirations and Strategies for the City of Lake Elsinore**

Aspirations are broad, long-term goals grounded in the three anchors on the preceding page. Aspirations are cross-cutting, meaning they address multiple anchors and serve as organizing principles for what Lake Elsinore will be in 2040.



Aspiration #1: Be the destination for the action sports industry in Southern California. Lake Elsinore will be a world-class city known as the destination for the extreme sports and outdoor activities in Southern California- the Action Sports Capital of the world using the following strategies:

- Expand investments in extreme sport activities.
- Broaden Lake Elsinore's Appeal as a tourist destination.
- Proactively attract and grow businesses supporting the City's Dream Extreme vision.



Aspiration #2: Grow a vibrant and active City where our residents thrive. Lake Elsinore will be known for its high quality of life, attracting new residents who value diverse housing options, outstanding education opportunities, and high standards of public safety and resilience. A wide range of people – from young families to active retirees– will choose Lake Elsinore's as the ideal place to live an active lifestyle and Dream Extreme by implementing the following strategies:

- Market the City to corporations, businesses, and developers to attract desired economic and residential development.
- Promote public health and strengthen Lake Elsinore's identified as community for active lifestyles.
- Ensure Lake Elsinore is family-friendly.
- Identify opportunities to improve transportation networks and reduce transportation-related costs.
- Encourage and attracting the development of a regional healthcare center.
- Increase access to education in Lake Elsinore.



Aspiration #3: Foster our natural resources - the Lake and our Surroundings are the heart of our community. Lake Elsinore will be a leading example of active urban living. Innovative land management and urban development will integrate natural assets, active living amenities, and the built environment by implementing the following strategies:

- Continue efforts to beautify and activate the waterfront, diversifying and growing Lake Elsinore's economy.
- Increase connections to nature.
- Plan for resilience and sustainability.
- Improve water management efforts at the Lake.



Aspiration #4: Dream Extreme in our City governance, seeking innovative, inclusive, and enduring solutions. Lake Elsinore will set a high standard for innovative governance with streamlined City processes, aided by technology that fosters a fiscally sound future, sustainable economic development, and responsive public service by implementing the following strategies:

- Development community engagement strategies to foster more inclusive city governance.
- Safeguard the City's long-term fiscal health through boosting and diversifying sources.
- Increase partnerships with publicly, private, or non-profit organizations.
- Embrace technology to support the delivery of City services.
- Allocate public resources effectively and efficiently creating fiscal models that ensure sustainability.
- Continue to build a culture of innovation throughout the organization.



# Understanding the Budget

This budget document provides the public with concise and readable information about City government and displays the objectives and budget for the City of Lake Elsinore for FY2023-2024. The budget document is divided into the following sections:

## INTRODUCTION and OVERVIEW

The budget document begins with the transmittal letter by the City Manager, which provides an overview of the FY2023-2024 Operating Budget by highlighting programs, major projects and changes in revenue and expenditure allocations for the upcoming fiscal year. There is an analysis of the impact of legislation on the City budget, as well as recent economic indicators. The introduction section details Lake Elsinore's Mission and Value Statements. The Goals and Objectives provide further detail into the policies, goals and objectives which drive the budget process. These are linked to each Department's goals and objectives. The Locator Map shows graphically where Lake Elsinore lays within the State of California and the Community Profile lists community demographics. The City Directory outlines the Executive Management Team and the Finance Team who work daily implementing the goals and strategies outlined in the Annual Operating Budget.

## FINANCIAL STRUCTURE, POLICY and PROCEDURES

The Citywide Organization Chart displays City Departments and reporting structure. The Budgetary Fund Structure provides a quick graphic overview of the City's budgetary fund structure and includes all funds that are subject to appropriation. The Description of Funds provides a narrative description of these funds which are graphically depicted in the Fund Use by Department section. The Gann Appropriations Limit Section details the appropriations limit for the current fiscal year. Budget and Fiscal Policies outlines City policies related to budget preparation, financial reporting requirements, fund balance and reserves, contingency planning, staffing, asset management/replacement, investments, and financing and debt management. The Budget Process and Budget Calendar sections describe the City's process for preparing this year's Annual Operating budget.

## FINANCIAL SUMMARIES

The Financial Summaries section provides a complete overview and analysis of the total resources budgeted by the organization. There is detail on each specific fund, fund balance changes, and a complete budget picture for the current and previous two fiscal years. This section includes summaries of revenues and expenditures for all appropriated Operating Budget funds. Fund balance, revenue and expenditure changes are explained in this section as well. Historical and categorical data are provided for comparative purposes.

## DEPARTMENTAL INFORMATION

The Departmental Information Section includes the department/program description, mission statements, and expenditures, staffing levels, goals and performance measures for each operating program in the General Fund and Internal Service Funds.

## CAPITAL IMPROVEMENT and DEBT

This section summarizes the budgeted capital expenditures, which are further detailed in the separate Capital Improvement Budget. This section provides a summary of all projected Capital Improvement revenues and descriptions of those sources, as well as a description of all Capital Improvement Plan projects. The Debt Administration and Legal Debt Margin sections include financial data on current debt obligations and describe the relationship between current debt levels and legal debt limits as well as their operational impact.

## FIVE YEAR FORECAST

This section outlines the City of Lake Elsinore's five-year strategic planning tool which allows the City to project the impacts of proposed programs, operating costs, and capital improvement projects in the future. This forecast assists in long range planning and policy development by ensuring that resources will be available to meet the needs of our community into the future.

## SUPPLEMENTAL INFORMATION AND APPENDIX

This section provides supplemental financial statistical information such as property tax information, and comparative City information. There is also a glossary of terms to guide the reviewer in understanding this document.

Additional information on the City's finances is available in the following documents, which are available at Annual Operating Budget Document [🔗](#)

For further information, please contact the Lake Elsinore Administrative Services Department at (951) 674 - 3124.



## **Resolution No. 2023-54**

### **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, ADOPTING THE FY 2023-24 ANNUAL OPERATING BUDGET AND ESTABLISHING THE CONTROLS ON CHANGES IN THE APPROPRIATIONS**

**WHEREAS**, the City Council (Council) has a policy of adopting an annual operating budget to plan expenditures and to match anticipated revenues available in various City accounts to make the most efficient use of the City's limited resources for each fiscal year; and,

**WHEREAS**, the City of Lake Elsinore (City) Municipal Code Section 3.04.010 defines the fiscal year for the City of Lake Elsinore as extending from July 1<sup>st</sup> of each year to and including June 30<sup>th</sup> of the following year.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

**Section 1.** The City of Lake Elsinore Annual Operating Budget is hereby approved and adopted for the 2023-24 fiscal year and as amended herein 2022-23 fiscal year for as attached per Exhibit A to this Resolution.

**Section 2.** A copy of the City of Lake Elsinore Operating Budget hereby adopted and certified by the City Clerk shall be filed with the City Manager or a designated representative, and a further copy so certified shall be placed and shall remain on file in the Office of the City Clerk where it shall be available for inspection. Copies of the certified budgets shall be made available for the use of departments, offices, and agencies of the City.

**Section 3.** That the following controls are hereby placed on the use and transfer of budget appropriations:

- (a) No expenditure of funds shall be made unless there is an unencumbered appropriation available to cover the expenditure.
- (b) The Department Director may prepare a transfer of appropriations within departmental budget accounts, with the approval of the City Manager.
- (c) The City Council must authorize transfers (appropriations) of funds from the Unreserved Fund Balance and transfers between departmental budget accounts.
- (d) The City Council must authorize any changes to the Schedule of Authorized Positions. The City Manager may authorize the hiring of temporary or part-time staff as necessary within the limits imposed by the controls listed above.
- (e) The City Manager may approve change orders on Public Works contracts approved by the City Council in amounts up to project contingency established by the City Council.
- (f) Outstanding encumbrances shown on the City books at June 30, 2023, that are approved by the City Manager, are hereby appropriated for such contracts or obligations for FY2023-24.
- (g) The City of Lake Elsinore Annual Operating Budget is hereby approved.

**Section 4.** This Resolution shall take effect from and after the date of its passage and adoption.

**Passed and Approved** on this 13th day of June 2023.

\_\_\_\_\_  
Natasha Johnson, Mayor

**Attest:**

\_\_\_\_\_  
Candice Alvarez  
City Clerk

STATE OF CALIFORNIA                    )  
COUNTY OF RIVERSIDE                ) ss.  
CITY OF LAKE ELSINORE                )


I, CANDICE ALVAREZ, City Clerk of the City of Lake Elsinore, California, do hereby certify that Resolution No. 2023-\_\_\_\_ was adopted by the City Council of the City of Lake Elsinore, California, at the regular meeting of June 13, 2023, and that the same was adopted by the following vote:


AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Candice Alvarez  
City Clerk



## Vision Statement



CITY OF  
LAKE  EL SINORE  
DREAM EXTREME

**Action Sports  
Capital of the  
World**

VISION STATEMENT

THE CITY OF  
LAKE EL SINORE WILL BE  
THE ULTIMATE LAKE  
DESTINATION WHERE ALL  
CAN LIVE, WORK, AND PLAY,  
BUILD FUTURES AND  
FULFILL DREAMS.



## Value Statement

### CITY OF LAKE ELSINORE *Expressions of Extreme Customer Service*

#### C.A.A.R.E.

##### **C**USTOMER SERVICE PERSPECTIVE

- Treat your customer the way you would want to be treated.
- Be overtly courteous, a good listener and extremely respectful.
- Treat your fellow employees as your customers!

##### **A**UTHENTIC BEST

- Be your best self and provide sincere customer service.
- Always remember, there is no way that the quality of customer service can exceed the quality of the people who provide it!

##### **A**NTICIPATE CUSTOMER NEEDS

- Improve the quality of customer service by preparing in advance for common inquiries.

##### **R**ESPOND TO CUSTOMER'S NEEDS

- Provide responses that are timely, accurate and complete.
- Respond within a business day, and assure customers that you are personally accessible if they have further concerns.

##### **E**XTREME CUSTOMER SERVICE

- Make it extremely easy to do business with!
- Providing Extreme Customer Service is our business.



## Locator Map



# Population Overview



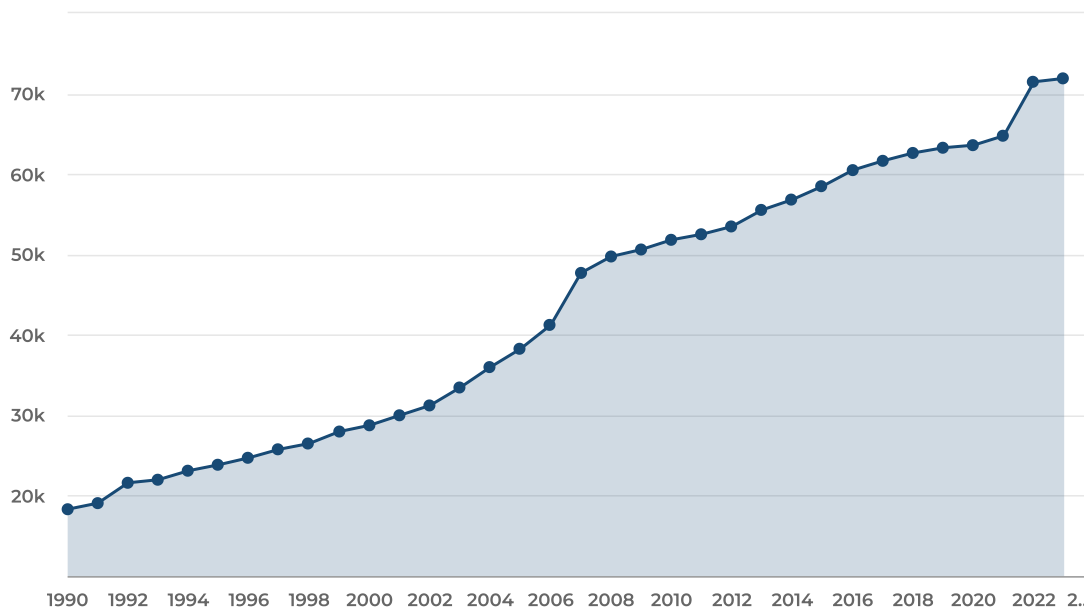
TOTAL POPULATION

**71,898**

▲ **.6%**  
vs. 2022

GROWTH RANK

**1** out of **495**  
Municipalities in California



\* Data Source: Client entered data for year 2023



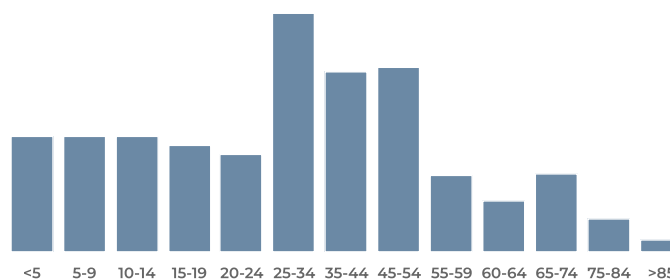
DAYTIME POPULATION

**56,328**

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

\* Data Source: American Community Survey 5-year estimates

## POPULATION BY AGE GROUP



Aging affects the needs and lifestyle choices of residents. Municipalities must adjust and plan services accordingly.

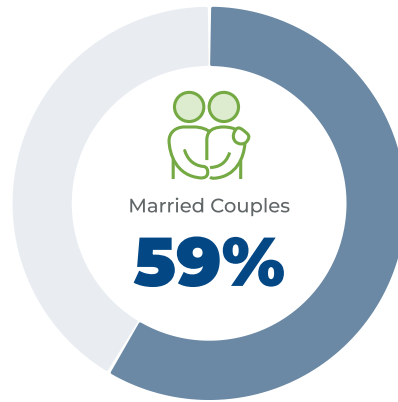
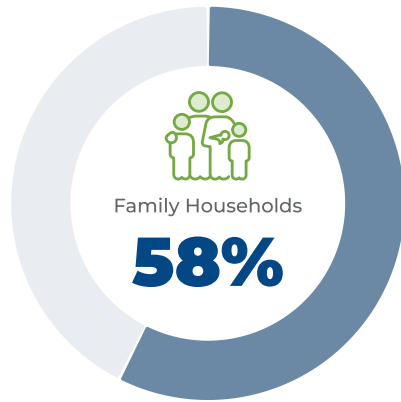
\* Data Source: American Community Survey 5-year estimates

## Household Analysis

TOTAL HOUSEHOLDS

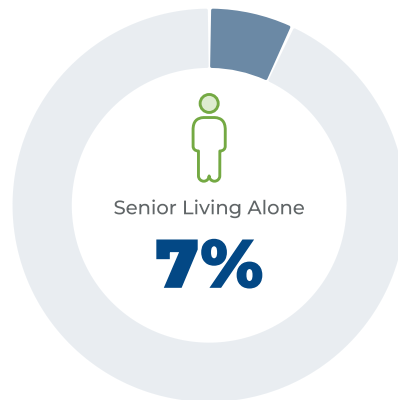
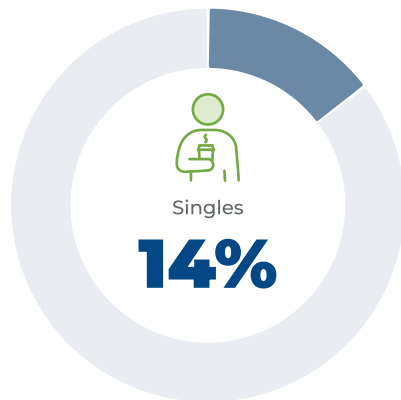
**19,162**

Municipalities must consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the municipal tax base.



**▲ 18%**

higher than state average



**▼ 40%**

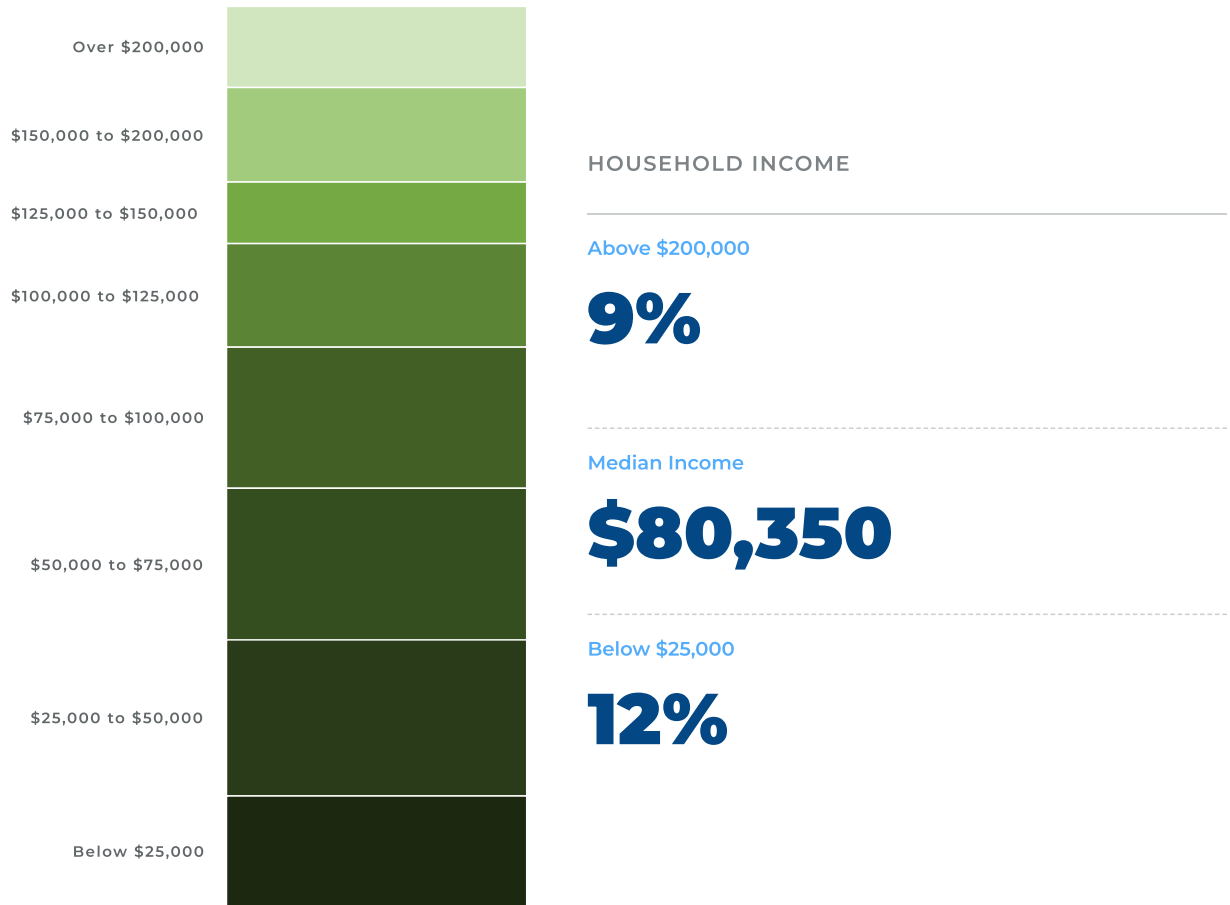
lower than state average

*\* Data Source: American Community Survey 5-year estimates*



## Economic Analysis

Household income is a key data point in evaluating a community's wealth and spending power. Pay levels and earnings typically vary by geographic regions and should be looked at in context of the overall cost of living.

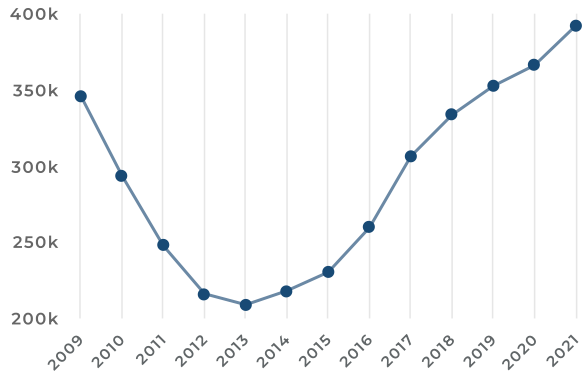


*\* Data Source: American Community Survey 5-year estimates*

# Housing Overview



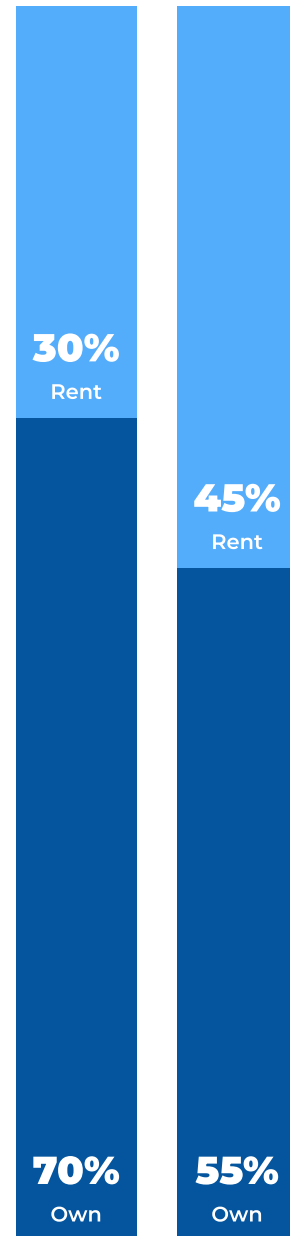
2021 MEDIAN HOME VALUE  
**\$392,200**



\* Data Source: 2021 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

## HOME OWNERS VS RENTERS

Lake Elsinore State Avg.



## HOME VALUE DISTRIBUTION



\* Data Source: 2021 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

\* Data Source: 2021 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.



# CITY OF LAKE ELSINORE

## Executive Management

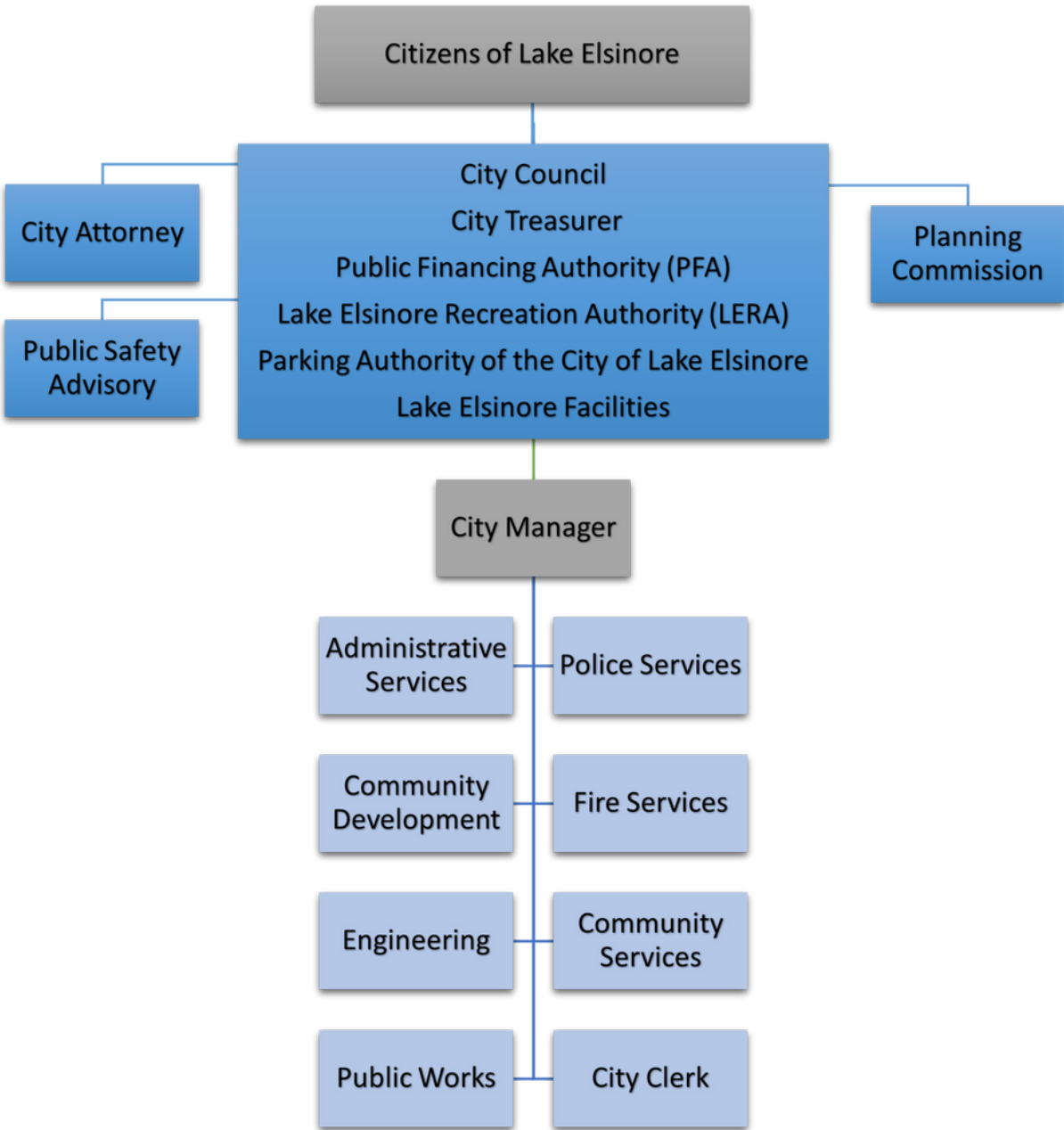
City Manager	Jason Simpson
Assistant City Manger	Shannon Buckley
Assistant City Manger	Todd Parton
City Clerk	Candice Alvarez
City Attorney	Barbara Leibold
Director of Community Services	Johnathan O. Skinnner
City Engineer	Remon Habib
Assistant Community Development Director	Damaris Abraham
Chief of Police	James Rayls
Fire Chief	Lonny Olson

## Budget Team

Assistant Admin. Services Director	Brendan Rafferty
Finance Manager	Nancy Lassey
Fiscal Officer	Domenico Piazza
Sr. Accountant	Andrew Zavala
Accountant	Savannah Fernandez
Account Specialist	Joanne Jackson

# CITY OF LAKE ELSINORE

## Organization Chart



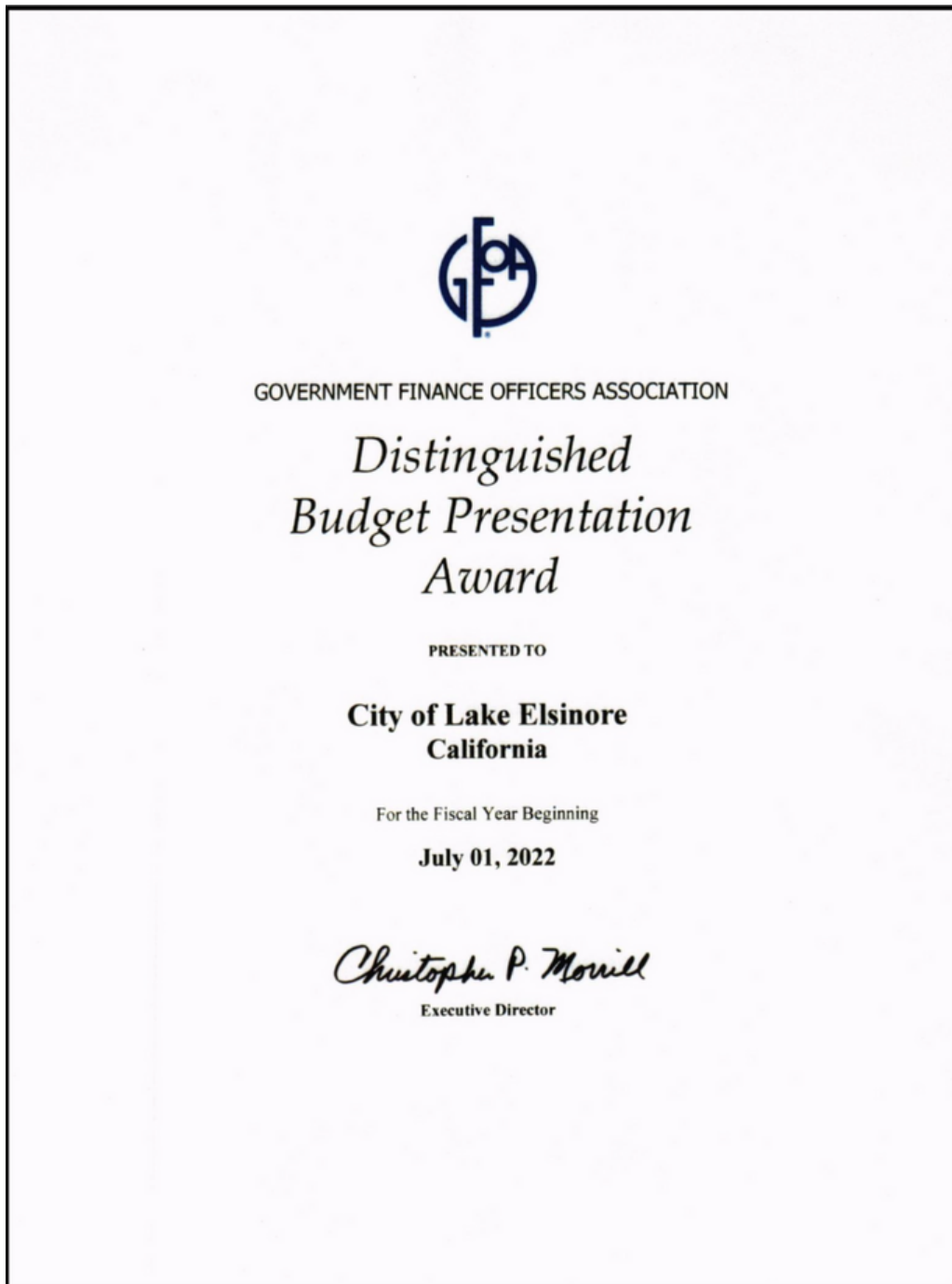


## Government Finance Officers Association Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the City of Lake Elsinore for its annual budget for the fiscal year beginning July 1, 2022.

In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, operations guide, financial plan, and communication device.

The award is valid for a period of one year only. The City of Lake Elsinore has received this award since 2016. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



## California Society of Municipal Finance Officers Award

The California Society of Municipal Finance Officers (CSMFO) recognizes those entities with highly professional budget documents with two levels of certificates. The first level is the "Meritorious Budget Award", which requires the entity to meet a very specific list of criteria defined by CSMFO. The second level is the "Operating Budget Excellence Award", which requires that the organization meet even higher criteria which effectively enhances the usability of the document.

In preparing this year's Fiscal Budget, staff has once again followed CSMFO's criteria. This document will be submitted to the CSMFO for the Fiscal Year 2023-24 budget award.



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# **FINANCIAL STRUCTURE, POLICY AND PROCEDURES**

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# Budgetary Fund Structure

## Governmental Funds

### General Fund

#### Special Revenue

- Supplemental Law Enforcement Services
- Measure Z
- The Anchor
- American Rescue Plan
- Traffic Offender
- Affordable Housing in Lieu
- Developer Agreement
- Gas Tax
- Measure A
- Senate Bill 821 Bicycle and Pedestrian Facilities Program
- Senate Bill 1186 California Disability Access and Education Fee
- Traffic Safety
- Lighting, Landscape and Maintenance Districts
- Geothermal
- Community Development Block Grant
- National Pollutant Discharge Elimination System
- Public Education and Government Grant
- Assembly Bill 2766 Motor Vehicle Subvention
- Low/Moderate Income Housing

#### Debt Service

- 2013 Lease Revenue Bonds
- 2016 Lease Revenue Bonds

#### Capital Projects

- Miscellaneous General Projects
- Transportation Uniform Mitigation Fee
- Total Road Improvements
- Development Impact Fees
- Storm Drain
- Quimby
- Traffic Impact Fee
- Assessment Districts
- Community Facilities Districts
- Public Improvement In-Lieu
- Diamond Stadium

### Proprietary Funds

#### Internal Service Funds

- Insurance Services
- Information Technology Services
- Support Services
- Fleet Services
- Facilities Services

#### Enterprise Fund

- Launch Pointe Fund

### Fiduciary Funds

#### Private-Purpose Funds

- Successor Agency to the Redevelopment Agency (SARDA) Debt Service Fund
- Permanent Endowment Trust Fund

#### Agency Funds

- Developer Deposit Trust
- Lake Maintenance
- Destratification Equipment Replacement



# Description of Funds

The City of Lake Elsinore revenues and expenditures are accounted for in a series of funds. Each fund is an autonomous accounting entity, established in accordance with legal and professional accounting standards. Funds are used to segregate the various financial activities of a governmental entity and to demonstrate compliance with specific regulations, restrictions, or limitations (i.e., demonstrating the restricted revenues are spent only for allowed purposes).

Funds used in government are classified into three broad categories: governmental, proprietary, and fiduciary. Governmental funds include activities usually associated with the operations of a typical state or local government (public safety, general government activities, etc.). Proprietary funds are used in government to account for activities often found in the private sector (utilities, stadiums, and golf courses are prime examples). Fiduciary funds are utilized in situations where the government is acting in a fiduciary capacity as a trustee or agent.

The appropriated funds utilized by the City of Lake Elsinore, governmental, fiduciary, and proprietary, are detailed below. The City of Lake Elsinore details the Capital Improvement Funds in a separate document, although the Capital Improvement Plan and its operating impacts are outlined in this budget document in the Capital Improvement and Debt Section.

## Accounting Basis

All governmental funds are accounted for and budgeted using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The primary revenue sources susceptible to accrual are property and sales taxes, franchise fees, transient occupancy taxes, investment income, fines and forfeitures collected by County courts, and motor vehicle-in-lieu subventions. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest due on general long-term debt, which is recognized when due. Proprietary and Fiduciary funds are accounted for and budgeted using the full accrual basis of accounting, i.e., revenues are recognized in the period earned and expenses are recognized in the period incurred. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation, is employed in the governmental funds. Outstanding encumbrances at the end of the fiscal year are recorded as reservation of fund balances since the commitments will be paid in the subsequent year. Encumbrances do not constitute expenditures or liabilities.

## Governmental Funds

### General Funds

This is the general operating fund for the City, utilized to account for all resources not required to be accounted for in another fund.

### Special Revenue Funds

Special Revenue Funds are used to account for specific resources that are legally restricted to expenditure for purposes:

- **Supplemental Law Enforcement Services Fund (SLESF)** - The City maintains this fund to account for the Supplemental Law Enforcement Services (SLESF) monies, which are exclusively expended to provide front line law enforcement services provided by the State of California. These monies supplement existing services and are unable to be used to supplant any existing funding for law enforcement services provided by the city.
- **Measure Z** - This fund is used to track the uses of the one-cent Transactions Use Tax, known as Measure Z, approved by the City of Lake Elsinore voters on November 3, 2020. Measure Z requires all funds to be used in Lake Elsinore, ensuring that a higher percentage of sales tax dollars stay local for City services. By law, no Measure Z funds can be taken by the state, county, or federal government.
- **The Anchor** - This fund is used to account for operating expenditures and revenues received, such as grants of The Anchor, a crisis stabilization housing complex owned by the City of Lake Elsinore and operated by Social Work Action Group (SWAG) serving chronic homeless individuals from Lake Elsinore, Wildomar and adjacent county areas.
- **Traffic Offender** - This fund is for the purposes of receiving and expending administrative fees generated from charges to drivers who have been arrested for DUI, who are driving on suspended/revoked licenses, or have never been issued a driver's license. These funds may only be used to further the traffic safety goals of the City and are not subject to OTS audit.
- **Affordable Housing In-Lieu** - The Affordable Housing Fund contains the assets as well as loan and rental income from the former Redevelopment Agency which have been transferred to the City of Lake Elsinore.
- **Developer Agreement** - This fund is maintained to account for developer fees based on developer agreements.
- **Gas Tax** - The City maintains this fund to account for the Highway User's Tax revenues received from the State of California under Sections 2013, 2015, 2107, and 2107.5 of the Streets and Highways Code. This fund also accounts for the gasoline and vehicle taxes pursuant to the Road Repair and Accountability Act of 2017 (SB1). Monies are collected by the State of California and allocated to local agencies for street and road projects and other transportation uses.





- **Measure A Fund** - This fund was established to account for the City's share of the County of Riverside's additional one-half percent sales tax allocation. These monies are restricted for use on local streets and roads.
- **Senate Bill 821 Bicycle and Pedestrian Facilities Program** - This fund tracks the grant revenue and expenditures received from RCTC for eligible projects. Each year 2% of the Local Transportation Fund (LTF) revenue is made available for use on bicycle and pedestrian facility projects through the Commission's SB 821 Program. All of the cities and the county are notified of the SB 821 Program estimate of available funding and are requested to submit project proposals. Eligible projects include sidewalks, bike paths (Class I), bike lanes (Class II), bike routes (Class III), and access ramps or curb cuts.
- **Senate Bill 1186 California Disability Access and Education Fee** - This fund collects and tracks the law requiring State fee of \$4.00 on every applicant for a local business license or renewal. The purpose is to increase disability access and compliance with construction related accessibility requirements and to develop educational resources for businesses to facilitate compliance with Federal and State disability laws.
- **Traffic Safety** - Used to account for revenue generated from enforcement of California vehicle codes and City Ordinances. These restricted funds may be used only for traffic signals, school crossing guards, and other related traffic safety expenditures.
- **Lighting, Landscape and Maintenance District** - These funds account for revenues derived from annual assessments which are used to pay the costs incurred by the City for landscape maintenance and street light maintenance. Benefit assessments, and a special tax are charged to property owners within the district (City), and funds are received to provide recreation, park development, street lighting, slope maintenance, refuse collection, emergency road construction and maintenance, and library services.
- **Geothermal Fund** - A fund to track expenditures for State grant monies used to maintain hot water wells owned by the City.
- **Community Development Block Grant** - This fund is used to account for grants received from the U.S. Department of Housing and Urban Development (HUD). These grants are used for community development activities and projects.
- **National Pollutant Discharge Elimination System** - This is to track fees assessed to property owners for the NPDES program, which is mandated by the federal government. This requires cities to clean up storm water runoff.
- **Public Education and Government Grant** - This fund is used to track the expenditures used to purchase applicable media equipment.
- **Assembly Bill 2766 Motor Vehicle Subvention** - State funds that are available to implement programs and projects that reduce air pollution from motor vehicles.
- **Low/Moderate Housing** - This account is used to track low and moderate-income projects, expenditures for this fund are restricted to low- and moderate-income housing projects.
- **American Rescue Plan** - This bill provides additional relief to address the continued impact of COVID-19 (i.e., coronavirus disease 2019) on the economy, public health, state and local governments, individuals, and businesses.

#### **Debt Service Funds**

Debt Service Funds are used to account for the accumulation of resources and payment of all general long-term debt obligations of the City and related entities.

- **2013 Lease Revenue Bonds** - This account is used to account for the payment of interest and principal of the refunding of the Variable Rate Revenue Refunding Bonds 2000 Series A. The 2000 Revenue Bonds were originally issued in the amount of \$15,660,000 to finance the purchase of the lake from the State of California and the transfer of the Lake Elsinore recreation area and developing the levee and flood control facilities.
- **2016 Lease Revenue Bonds** - This account is used to account for the payment of interest and principal of the Lake Elsinore Facilities Financing Authority Lease Revenue Bonds, Series 2016A. The bonds were issued in the amount of \$10,410,000 to finance the acquisition and construction of Launch Pointe.

#### **Capital Project Funds**

Capital project funds are used to account for financial resources to be used for the acquisition or construction of capital improvement projects and redevelopment projects and administrative expenses.

- **Miscellaneous General Projects** - This is to account for miscellaneous general projects of the City.
- **Transportation Uniform Mitigation Fee** - Under the TUMF, developers of residential, industrial, and commercial property pay a development fee to fund transportation projects that will be required because of the growth the projects create. The Western Riverside Council of Governments administers TUMF. The TUMF funds both local and regional arterial projects. Local area projects receive 48.1% of all funds and the funds are programmed in each of five "zones" proportionately to the fees paid. These zone projects are proposed by local jurisdictions.
- **Total Road Improvement Program** - To account for projects related to road improvements, financed by debt proceeds.
- **Development Impact Fees** - These funds are used to track revenues and expenditures of fees collected by developers to mitigate the impact of new development on the level of service capacity.
- **Storm Drains** - To account for the capital improvements to upgrade the storm drains within the City that are financed by the development fees.
- **Quimby** - These funds are for the improvement and development of parks that are financed by development fees.

- **Traffic Impact Fee** - This account is to track revenues and expenditures of fees collected by developers to mitigate the impact of new development on traffic.
- **Assessment Districts** - To account for the receipt of special assessments and taxes that will be used to pay interest and principal on bonds
- **Community Facilities District** - These funds are established by the City as a means of obtaining community funding to be used to pay for public works and other public services, maintenance, new construction, and debt service payments.
- **Public Improvement In-Lieu** - This fund accounts for special designated improvements to City property, financed by developer fees.
- **Lake Elsinore Diamond Stadium** - This fund is used to track revenue and expenditures for Lake Elsinore Diamond Stadium. The Successor Agency is the owner of the Lake Elsinore Diamond Stadium, which will require significant capital repairs and maintenance in future years.

### **Proprietary Funds**

#### **Internal Service Funds**

Internal Services Funds are used to account for the financing of goods or services by one department to other departments of the City on a cost reimbursement basis.

- **Insurance Services** - This Internal Service Fund was established to fund and account for the City's liability, worker's compensation, and property insurance costs.
- **Information Technology** - This Internal Service Fund was developed to fund and account for computer and telephone systems operating and maintenance expenses, depreciation of all related computer and telephone equipment over their estimated useful lives, and to accumulate resources for future equipment purchases. This fund was also formed to account for computer and telephone accumulated depreciation for future equipment purchases.
- **Support Services** - This Internal Service Fund was established as a cost center for the City's central duplicating, printing, and mailing activities.
- **Fleet Services** - This Internal Service Fund was created to depreciate vehicles and large capital equipment over their estimated useful lives, and to accumulate resources for the purchase of future replacement vehicles and equipment.
- **Facilities Services** - This Internal Service Fund was established to account for the cost of the City Facilities operations and maintenance.

#### **Enterprise Funds**

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

- **Launch Pointe** - This Fund was established to account for the cost of the operations and maintenance for the new campground.

### **Fiduciary Funds**

#### **Private Purpose Trust Funds**

Private-Purpose Trust Funds are used to account for resources held and administered by the reporting government when it is acting in a fiduciary capacity for other governments.

- **Successor Agency to the Redevelopment Agency (SARDA) Debt Service Fund** - This fund is used to account for payment obligations of the Successor Agency as a result of the State's dissolution of Redevelopment Agencies.
- **Endowment Trust Fund** - This fund is to account for assets held by the City in a trustee capacity for the Adolph Korn Estate. Money is held for building a nurses home for the proposed medical facility in the City. Until that time, interest earnings from the estate are used as a scholarship fund for college tuition for students seeking a degree in the nursing field.

#### **Agency Funds**

Agency Funds is a fund normally used to account for assets held by a government as an agent for individuals, private organizations, or other governments and/or funds.

- **Developer Deposit Trust** - This fund is used to account for receipts of deposits paid by Developers.
- **Lake Maintenance** - This fund is used to account for receipts made by Elsinore Valley Municipal Water District and the City to jointly fund the purchase of water to keep the lake level stabilized.
- **Destratification Equipment Replacement** - This fund is used to account for receipts made by Elsinore Valley Municipal Water District, Riverside County, and the City to replace equipment for the axial flow pump desertification system in the lake.

## Fund Use by Department

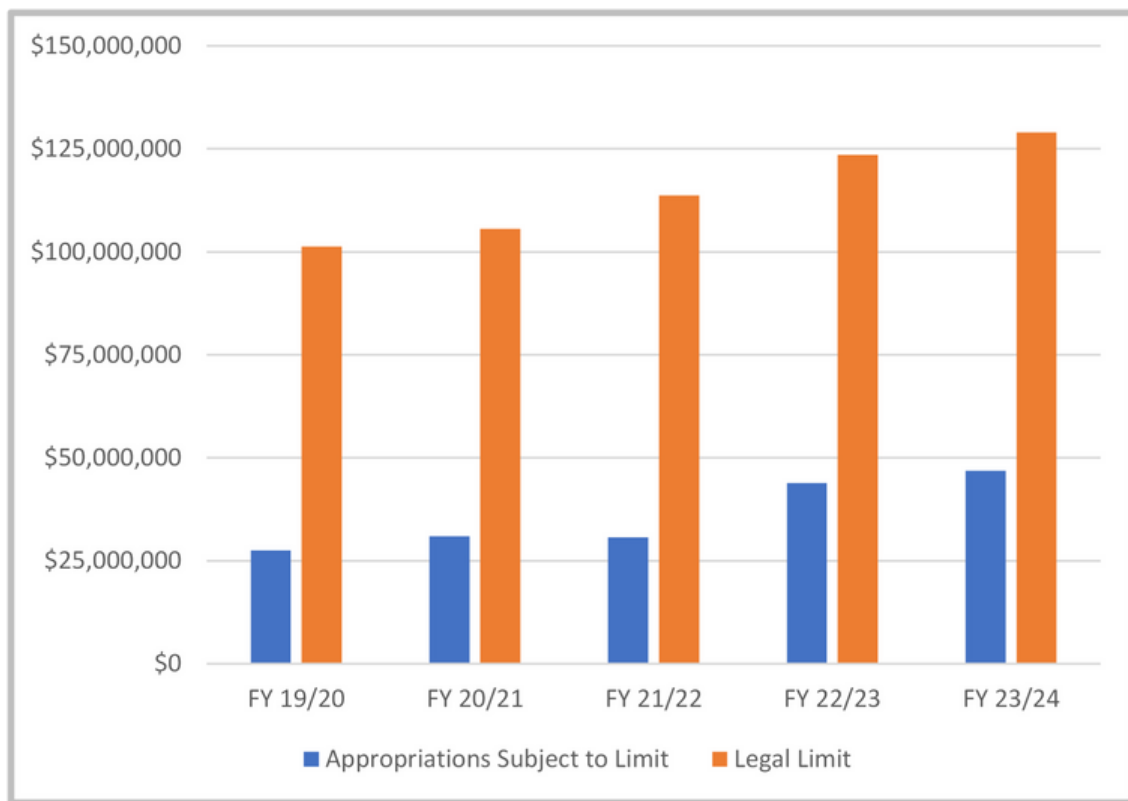
FUNDING SOURCE BY DEPARTMENT	OPERATING DEPARTMENTS																										CIP				
	City Council	Community Support	City Treasurer	City Clerk	City Attorney	City Manager	Finance	Human Resources	Police Services	Fire Services	Fire Prevention	Animal Services	Emergency Services	Planning & Zoning	Building & Safety	Code Enforcement	Economic Development	Engineering	Public Works	Park Maintenance	Lake Maintenance	Community Center	Recreation	Senior Center	Launch Pointe	Insurance	Information Technology	Support Services	Fleet	Facilities	Capital Projects
Governmental Fund																															
Fund 100 General Fund	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●							
Special Revenue Funds																															
Fund 101 SLESF									●																						
Fund 102 Measure Z		●							●	●			●	●		●		●	●												●
Fund 104 Traffic Offender									●							●															
Fund 108 American Rescue Plan																															●
Fund 110 Gas Tax																			●												●
Fund 112 Measure A																															●
Fund 113 SB821																															●
Fund 114 SB1186															●	●															
Fund 115 Traffic Safety									●																						
Fund 130 & 135 LLMD Districts																					●										
Fund 155 NPDES																		●	●												●
Fund 160 PEG																											●				
Fund 606 AB2766																															●
Debt Service Funds																															
Fund 602 LERA 2013							●																								
Fund 402 LEFFA 2017																									●						
Capital Projects Funds																															
Fund 105 Miscellaneous General Fund																															●
Fund 111 TUMF																															●
Fund 121 TRIP																															●
Fund 116-120 & 232 DIF																															●
Fund 211 Storm Drain Fee																															●
Fund 221 Quimby																															●
Fund 205 Traffic Impact																															●
Fund 352 & 393 Assessment Districts																															●
Fund 330-350, 354-396, 650-655 CFD's																															●
Fund 605 Public Improvement In-Lieu																															●
Fund 540 Diamond Stadium																															●
Internal Service Funds																															
Fund 300 Insurance	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Fund 305 Information Technology	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Fund 310 Support Services	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Fund 315 Fleet	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Fund 320 Facilities	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Enterprise Fund																															
Fund 180 Launch Pointe																									●						
Agency Funds																															
Fund 630 Lake Maintenance																				●											
Fund 631 Destratification Equipment																				●											

## GANN Appropriations Limit

Article XIII B of the California State Constitution, more commonly referred to as the Gann Initiative or Gann Limit, was approved by California voters in November 1979, and placed limits on the amount of proceeds of taxes that state and local government agencies can receive and spend each year. For cities that incorporated after FY1978-1979, the voters set the initial appropriations limit at the time of incorporation. Proposition 131 was approved by California voters in June 1990, which provided new adjustment formulas which make the appropriations limit more responsive to local growth issues. Each year the City Council must adopt, by resolution, the appropriations limit for the following year.

Fiscal Year 2022-23 Appropriation Limit	\$123,526,080
City Population Growth	0.9998%
Per Capita Personal Income Change	1.044%
Fiscal Year 2023-24 Appropriations Limit	\$128,984,827

Appropriations subject to the limit in the FY2023-24 budget totaled \$46,864,189 which is \$82,120,638 less than the computed limit. Additional appropriations to the budget funded by non-tax sources such as service charges, restricted revenues from other agencies, grants or beginning fund balances would be unaffected by the appropriations limit. However, any supplemental appropriations funded through increased tax sources would be subject to the appropriations limit and could not exceed the \$82,120,638 variance indicated. Further, any overall actual receipts from tax sources greater than \$82,120,638 from budget estimates will result in proceeds from taxes in excess within the next two fiscal years or voter approval of an increase in the City's appropriations limit. Voter approval for an increase in the City's appropriations limit is not anticipated in the future due to the margin between the limit and tax revenue.





# Budget and Strategic Planning Process

## **ANNUAL OPERATING BUDGET (AOB)**

The Annual Budget sets forth as a strategic resource allocation plan that addresses the City Council's Strategic Goals. The budget can be thought of as a policy document, financial plan, operations guide, and communication device all in one document as a guide for the public as well as staff.

The Budget also performs the following:

- Determines the quality and quantity of the City programs and services
- Details expenditure requirements and the estimated revenue available to meet these requirements
- Connects the activities of individual City Departments to the City Council's Strategic Goals
- Sets targets and provides a means of measuring actual accomplishments against goals

The Annual Budget provides the legal authority for expenditures and means for control of municipal operations throughout the fiscal year. Accordingly, the City Council mandates that a budget be adopted prior to the beginning of the fiscal year, which begins July 1st of each year.

The Budget process gives the department director an opportunity to justify departmental work programs, to propose changes in services, and to recommend revisions in organizational structure and work methods. It also enables the City Manager to review these aspects and make appropriate recommendations to the City Council.

Presenting the annual proposed budget to the City Council usually takes place in May of each year, which allows the Council to judge the adequacy of the proposed operating programs, to determine basic organizational and personnel staffing requirements and to establish the level of municipal services to be rendered with the available resources. The annual proposed budget is presented at one of the City Council meetings during the month of June of each year for adoption.

## **FIVE-YEAR FINANCIAL FORECAST**

The City will prepare a five-year financial forecast annually to assist in long range planning and policy development. The five-year forecast provides a tool to evaluate the ability of the City to fund proposed programs, operating and maintenance costs, capital expenditures, as well as operating costs related to future capital improvement projects. Revenues are projected using a conservative approach, and are based on historical trends, stable residential development projections, internal analysis, and commercial growth that incorporates known development projects. Separate sets of assumptions are developed for major revenue types such as sales tax property tax, community development fees, transient occupancy taxes, and investment income. Departmental expenditure projections are developed using anticipated cost of living increases for general administrative operating costs. Additional assumptions are incorporated for major expenditure categories such as public safety to ensure that commercial and residential growth projections are addressed to main current service levels.

The five-year forecast indicates whether projected revenue growth will support anticipated expenditures for current levels of service. However, as the City continues to grow, it is important to ensure that it can meet increasing demands and be in a position to respond to possible changes in economic conditions. The five-year forecast is a dynamic tool that requires annual update and review of its underlying assumptions to keep the City in a position of strong fiscal condition.

## **CAPITAL IMPROVEMENT PLAN (CIP)**

The purpose of the CIP budget document is to serve as a planning tool, which coordinates the level ranking, financing, and scheduling of major projects undertaken by the City. All projects presented in the five-year CIP budget are carefully programmed to ensure the community's capital improvement needs are met both now and in the future. In addition, the projects provide additional opportunities and access to the City and improve the overall quality of life.

This document is dynamic and, consequently, must be revised annually to address changing needs, level rankings, and financial conditions. The City's goal in providing a CIP Budget is to develop a multi-year plan for capital improvement, update it annually, and follow through with all capital improvements in accordance with the plan. It also allows staff to budget operating and maintenance costs into the five-year projection to determine the total cost of each project before it is undertaken.

This CIP budget document is developed by incorporating input from City Council and key management team members, based on community comments and feedback received throughout the year. Each proposed project is reviewed and discussed to ensure funding, timing, and necessity. A CIP City Council workshop is held to provide the City Council with an opportunity to review each project in detail, and to receive public comments concerning the five-year program.



The capital improvements presented in the budget are the City's major projects, which exceed \$30,000 in cost, have long-term life spans, and are generally non-recurring. These projects include land and right of way acquisition, design, construction or rehabilitation of public buildings or facilities, public infrastructure design and construction, park design and construction, and redevelopment projects.

Every CIP project will have a Project Manager who will prepare the project proposal, ensure that required phases are completed on schedule, authorize all project expenditures, ensure that all regulations and laws are observed, and periodically report project status.

Projects must identify a benefit. In determining the relative merit of a proposed project, key management team members evaluate projects for feasibility, community enhancement, infrastructure and historic preservation, and safety.

Projects in the CIP are scheduled in each of five fiscal years based on community needs, as determined by the City Council and availability of funding. Level rankings in each major category (Circulation, Facilities, Infrastructure, Parks, and SARDA/Housing) are assigned in accordance with the following guidelines:

LEVEL I: The project is urgent and must be completed as soon as feasible. Failure to address the project may impact the health, safety, or welfare of the community or have a potential significant impact on the financial well-being of the City. The project must be initiated, or financial opportunity losses may result.

LEVEL II: The project is important and addressing it is necessary. The project impacts safety, law enforcement, health, welfare, economic base, quality of life.

LEVEL III: The project will enhance the quality of life and will provide a benefit to the community. Completion of the project will improve the community by providing cultural, recreational, and/or aesthetic value, or is deemed as a necessary improvement to a public facility.

Future Years Projects: The project will be an improvement to the community but does not necessarily need to be completed within a five-year capital improvement program time frame.

The administrative costs associated with managing CIP projects are estimated (generally as five to ten percent of estimated construction costs) and included in each project budget.

Future operations and maintenance costs that result from CIP projects are estimated and identified in the CIP project sheets. These incremental future operating costs are incorporated into the five-year forecast.

The City's annual CIP appropriation for study, design, acquisition and/or construction is based on the projects designated by the Council CIP Plan. Adoption of the CIP Plan appropriation does not automatically authorize funding for specific project phases. This authorization generally occurs only after the preceding project phase has been completed and approved by the Council and costs for the succeeding phases have been fully developed. If project costs at the time of bid award are less than the budgeted amount, the balance will be unappropriated and returned to the fund balance or allocated to another project.

If project costs at the time of bid award are greater than budget amounts, five basic options are available:

- Eliminate the project;
- Defer the project for consideration to the next CIP Plan period;
- Re-scope or change the phasing of the project to meet the existing budget;
- Transfer funding from another specified, lower-level ranking project;
- Appropriate additional resources as necessary from fund balance.

Project accounts, which have been appropriated, will not lapse until completion of the project phase. Project phases will be listed as objectives in the program narratives of the programs which manage the projects.

All projects are evaluated by the City's Planning Commission to ensure consistency with the provisions of the City of Lake Elsinore General Plan, while considering the City's long-term vision as developed by the City Council. The proposed Circulation, Facilities; Infrastructure, Park, and Successor Agency/Housing projects are reviewed and approved by the Planning Commission.



# Financial Reporting

## **ANNUAL REPORTING**

The City will contract for an annual audit by a qualified independent certified public accountant (or accounting firm). The City will strive for an unqualified auditors' opinion. The City will use generally accepted accounting principles in preparing its annual financial statements and will strive to meet the requirements of the GFOA's Award for Excellence in Financial Reporting program. The City will issue audited financial statements within 180 days after year-end.

## **BUDGET ADJUSTMENTS**

The Council may amend or supplement the budget at any time after its adoption by majority vote of the Council members. The City Manager has the authority to make administrative adjustments to the budget as long as those changes will not have a significant policy impact nor affect budgeted year-end fund balances.

## **EXTENDED ANNUAL REPORTING**

The City will prepare extended annual reports as required by federal and state requirements including, but not limited to the State Controller Report and Street Reports.



# Fund Balance and Reserves

## **FUND BALANCE POLICY**

Fund balance represents the accumulation of actual revenues and other financing sources in excess of actual expenditures and other uses at year-end. In general terms, it represents the City's accumulated "savings" from year to year, as any fund balance realized at year-end is added to (or deducted from if expenditures exceeded revenues for that particular year) the previous year's fund balance. Fund balance is often referred to as "reserves".

## **RESERVE FOR ECONOMIC UNCERTAINTY**

The City will maintain a minimum fund balance of at least 17.5% of operating expenditures in the General Fund, in order to adequately provide resources in the event of an unexpected draw on City finances. Eligible uses of these reserve funds include:

- Expenditures due to local disasters/acts of nature
- Loss of major revenue source(s) due to financial hardship or economic downturn
- State-imposed take of local revenue/mandated payments
- Significant unanticipated expenditures
- Significant payout of Comprehensive Annual Leave for employees leaving City service

## **FUTURE CAPITAL PROJECT DESIGNATIONS**

The Council may designate specific fund balance levels for future development of capital projects that it has determined to be in the best long-term interests of the City.

## **OTHER DESIGNATIONS AND RESERVES**

In addition to the designations noted above, fund balance levels will be sufficient to meet funding requirements for projects approved in prior years which are carried forward into the new year; debt service reserve requirements; reserves for encumbrances, and other reserves or designations required by contractual obligations, state law, or generally accepted accounting principles.

## **FUND BALANCE COMPONENTS**

This policy establishes the procedures for reporting unrestricted fund balance in the General Fund financial statements, as well as a fund balance expenditures hierarchy. Fund Balance commitments and assignments ensure that there will be adequate financial resources to protect the City against circumstances such as revenue shortfalls and unanticipated expenditures. The Policy also authorizes and directs the Director of Finance to prepare financial reports and categorize fund balance per Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

There are five separate components of fund balance which identify the specific purposes for which amounts can be spent: (1) Nonexpendable Fund Balance – inherently nonexpendable; (2) Restricted Fund Balance – externally enforceable limitations on use; (3) Committed Fund Balance – self-imposed limitations on use; (4) Assigned Fund Balance – limitation resulting from intended use; (5) Unassigned Fund Balance – residual net resources.

- Nonexpendable Fund Balance - Amounts that cannot be spent because they are either (a) not in spendable form, such as prepaid items or inventories; or (b) legally required to be maintained intact, such as the principal portion of an endowment.
- Restricted Fund Balance - Amounts for a specific purpose that are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, other governments' regulations; or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed Fund Balance - Amounts authorized for specific purposes by a government's highest level of decision making authority (City Council). These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same formal action taken to establish the commitment. City Council action to commit fund balance needs to occur within the fiscal reporting period however, the amount can be determined subsequently. The City's committed fund balance includes a reserve for economic uncertainty. It is City policy to maintain a reserve of 17.5% of Annual General Fund appropriations. Amounts are committed to finance any significant unanticipated revenue shortfalls, negative State budget impacts or impacts from natural disasters or other catastrophic events.
- Assigned Fund Balance - Amounts that are constrained for specific purposes, but are neither restricted nor committed. For all governmental funds other than the General Fund, any remaining amounts not classified as nonexpendable, restricted, or committed are considered assigned. For the General Fund, this policy delegates the authority to assign

amounts to be used for specific purposes to the Finance Director in consultation with the City Manager for the purpose of reporting these amounts in annual financial statements.

- Unassigned Fund Balance - Residual net resources of the General Fund in excess of what can be classified in one of the other four categories.

#### **HIERARCHY OF SPENDING FUND BALANCE**

Restricted fund balance should be spent first when an expenditure is incurred for which both restricted and unrestricted fund balance is available. When an expenditure is incurred for purposes where amounts in any of the unrestricted classifications of fund balance could be used, committed amounts are to be spent first, followed by assigned amounts and then unassigned amounts.



## Contingency Planning

In response to adverse financial and economic conditions that could negatively impact the City's fiscal health, a Contingency Plan will provide for a measured response to potential fiscal challenges, as opposed to reactionary decision-making that could hinder the long-term financial solvency of the City.

In accordance with Budget Policies, the City will strive to maintain reserves in the amount of 17.5% of General Fund operating expenditures. Eligible uses of these reserve funds are outlined in the policy. However, this Contingency Plan will address the hierarchy of utilizing reserve funds, in the event the City experiences significant or sudden fiscal constraints.

The type of fiscal challenge will dictate the appropriate budgetary measure to implement in order to ensure solvency. If the fiscal constraint cannot be absorbed by annual budgetary savings, the following hierarchy shall be followed: One Time Events and Ongoing Fiscal Constraints.

- One-Time Events - In the event the City is faced with a non-recurring fiscal constraint, such as a State mandated payment or a natural disaster, the use of reserve funds is an appropriate mitigation. The Reserve for Contingencies shall be utilized first, and fully exhausted prior to utilizing the Economic Uncertainty Reserve.
- Ongoing Fiscal Constraints - In the event the City experiences the loss of a major revenue source outside of the City's control (i.e. acts of legislation, corporate decisions and/or economic downturn), the City will need to adjust its operations in order to maintain a balanced budget. Circumstances may arise when the City is unable to react quick enough to offset a sudden loss in revenue, and will be required to utilize reserves to supplant the current Operating Budget. The Reserve for Contingencies shall be utilized first, and fully exhausted prior to utilizing the Economic Uncertainty Reserve. Continued use of reserve funds shall not exceed two budget cycles, to allow adequate time for the implementation of operational changes, while limiting the ongoing dependency on reserves. Implementation of Contingency Plan actions requires the majority approval of the City Council.





# Staffing Policy

## **REGULAR STAFFING**

The budget will fully appropriate the resources needed for authorized regular staffing. Regular full-time benefitted employees will represent the core work force and the preferred means of staffing ongoing, year-round program activities and services. The City will strive to provide competitive compensation and benefit schedules for its authorized regular work force. Each regular employee will fill an authorized regular position; receive salary and benefits consistent with City Council approved labor agreements.

To manage the growth of the regular work force and overall staffing costs, the City will follow these procedures:

- City Council will authorize all regular positions.
- The Human Resources Department will coordinate and approve the hiring of all regular employees.
- Supplement core staff with a balanced workforce consisting of part-time, contract and independent contractors.
- All requests for additional regular positions will include evaluations of:
  - The necessity, term and expected results of the proposed activity;
  - Staffing and material costs including salary, benefits, equipment, uniforms, clerical support and facilities;
  - The ability of private industry to provide the proposed service;
  - Additional revenues or cost savings, which may be realized.
- Periodically, and before any request for additional regular positions, existing programs will be re-evaluated to determine if services can be provided with existing regular employees.
- The City will make every effort to conduct an internal recruitment to fill regular positions. The City will evaluate the advantages and disadvantages of conducting an internal recruitment versus an external recruitment on a case-by-case basis.

## **PROJECT STAFFING**

The hiring of project employees will not be used as an incremental method for expanding the City's regular work force. Project employees include all employees other than regular employees, temporary staffing, elected officials and volunteers. Project employees will generally augment regular City staffing as extra-help employees, seasonal employees, contract employees, interns and work-study assistants. The City Manager and Department Directors will encourage the use of project employees to meet peak workload requirements, fill interim vacancies, and accomplish tasks where less than full-time, year-round staffing is required. Under this guideline, project employees will be hired for up to one year at a time in conjunction with the annual operating budget on an at-will basis. Moreover, project employee hours will generally not exceed 50% of a regular, full-time position (1,000 hours annually). There may be limited circumstances where the use of project employees on an ongoing basis in excess of this target may be appropriate due to unique programming or staffing requirements. However, any such exceptions must be approved by the City Manager based on the review and recommendation of the Administrative Services Department.

## **TEMPORARY STAFFING**

Temporary Staffing agencies can be contacted only in the case of a short-term assignment such as sick leave, disability leave, maternity leave, etc. The City will pay the Temporary Staffing Agency a fair base rate for the employee with a negotiated markup while the temporary employee is providing work for the City.

## **WORK HOURS**

Regular employee, project employee, and temporary employee work hours will be based on the needs of the City and the position. Employee work hours may be flexed in an effort to minimize overtime.

## **OVERTIME MANAGEMENT**

Overtime should be used only when necessary and when other alternatives are not feasible or cost effective. All overtime must be pre-authorized by a Department Director or delegated in accordance with existing policy. Departmental operating budgets should reflect anticipated annual overtime costs and departments will regularly monitor overtime use and expenditures.

When considering the addition of regular, project, or temporary staffing, the use of overtime as an alternative will be considered. The department will take into account: the duration that additional staff resources may be needed; the cost of overtime versus the cost of additional staff; the skills and abilities of current staff; training costs associated with hiring additional staff; the impact of overtime on existing staff; and the impact on quality of services.

## **INDEPENDENT CONTRACTORS**

Independent contractors are not City employees. They may be used in two situations: short-term, peak workload assignments and construction of public works projects.



Short-term, peak workload assignments to be accomplished using personnel contracted through an Outside Employment Agency (OEA). In this situation, it is anticipated that City staff will closely monitor the work of OEA employees and minimal training will be required. However, they will always be considered the employees of the OEA and not the City. All placements through an OEA will be coordinated through the Human Resources Department and subject to the approval of the Administrative Services Department.

Construction of public works projects and delivery of operating, maintenance or specialized professional services not routinely performed by City employees. Such services will be provided without close supervision by City staff, and the required methods, skills and equipment will generally be determined and provided by the contractor. Contract awards will be guided by the City's purchasing policies and procedures.

### **PRODUCTIVITY**

The City will repeatedly monitor and review the City's methods of operation to ensure that services continue to be delivered in the most cost-effective manner possible. This review process encompasses a wide range of productivity issues, including:

- Analyzing systems and procedures to identify and remove unnecessary review requirements.
- Evaluating the ability of new technologies and related capital investments to improve productivity.
- Developing the skills and abilities of all City employees.
- Developing and implementing appropriate methods of recognizing and rewarding exceptional employee performance.
- Evaluating the ability of the private sector to perform the same level of service at a lower cost.
- Periodic formal reviews of operations on a systematic, ongoing basis.
- Maintaining a decentralized approach in managing the City's support service functions. Although some level of centralization is necessary for review and control purposes, decentralization supports productivity by:
- Encouraging accountability by delegating responsibility to the lowest possible level.
- Stimulating creativity, innovation, and individual initiative.
- Reducing the administrative costs of operation by eliminating unnecessary review procedures.
- Improving the ability of the organization to respond to changing needs and identify and implement cost saving programs.
- Assigning responsibility for effective operations and citizen responsiveness to the department.

### **PRIVATE SECTOR CONTRACTS**

Contracting with the private sector for the delivery of services may provide the City with a significant opportunity for cost containment and productivity enhancements. As such, the City is committed to using private sector resources in delivering municipal services as a key element in our continuing efforts to provide cost-effective programs. Private sector contracting approaches under this policy include construction projects, professional services, outside employment agencies and ongoing operating and maintenance services. In evaluating the costs of private sector contracts compared with in-house performance of the service, indirect, direct, and contract administration costs of the City will be identified and considered.

Whenever private sector providers are available and can meet established service levels, they will be seriously considered as viable service delivery alternatives using the evaluation criteria outlined below. For programs and activities currently provided by City employees, conversions to contract services will generally be made through attrition, reassignment, or absorption by the contractor.

Within the general policy guidelines stated above, the cost effectiveness of contract services in meeting established service levels will be determined on a case-by-case basis using the following criteria:

- Is a sufficient private sector market available to competitively deliver this service and assure a reasonable range of alternative service providers?
- Can the contract be effectively and efficiently administered?
- What are the consequences if the contractor fails to perform, and can the contract reasonably be written to compensate the City for any such damages?
- Can a private sector contractor better respond to expansions, contractions, or special requirements of the service?
- Can the work scope be sufficiently defined to ensure that competing proposals can be fairly and fully evaluated, as well as the contractor's performance after bid award?
- Does the use of contract services provide us with an opportunity to redefine service levels?
- Will the contract limit our ability to deliver emergency or other high priority services?
- Overall, can the City successfully delegate the performance of the service but still retain accountability and responsibility for its delivery?



### **GOVERNMENT SERVICE CONTRACTS**

Contracting with other government entities for the delivery of services such as police and fire provides the City with significant opportunities for cost containment and productivity enhancements. The City utilizes government service contracts to deliver municipal services as a key element in the City's continuing efforts to provide cost-effective programs.

The metric of one officer per 1,000 residents is an outdated measure of service. It does not accurately reflect the service levels needed by communities, given each City's unique characteristics. To gauge the effectiveness and need for additional police services, cities must regularly review crime statistics, trends, and response times. The City contracts with Riverside County Sheriff's Department for police services. Under this contract the City maintains 130.8 hours of law enforcement services a day. Due to facing millions in law enforcement cost increases, the City has been unable to increase this service level for more than a decade. However, in recent years, we have refocused our service priorities to include Community-Based Policing, Problem-Oriented Policing, and Special Enforcement Teams to tackle critical quality of life issues. Contracting with the County facilitates an efficient, effective, and affordable model of policing for the community. The police contract allows the City to partner with the County to leverage resources to reduce costs for supervision, administration, training, clerical support, vehicles, and equipment.

The City contracts with the Riverside County Fire Department for all fire services. Contracting with the County facilitates an efficient, effective, and affordable model of fire protection, disaster preparedness, fire prevention, and emergency operation services for the community. The fire contract allows the City to partner with the County to leverage resources to reduce costs for supervision, administration, training, clerical support, vehicles, and equipment.

### **REGIONAL CONTRACTS**

A regional approach to public services leverages economies of scale to improve outcomes and services to the citizens. Therefore, prior to entering private or government service contracts, the City will require the completion of a systematic assessment to determine whether a regional approach to providing services is necessary. The City contracts with Animal Friends of the Valleys for animal control services and the County of Riverside (via the Southwest Community Financing Authority) for animal sheltering services. Contracting with multi-agencies for these services demonstrates a regional approach of leveraging resources to provide efficient services (at a reduced cost).

# Asset Management and Replacement Policy

## **ASSET MANAGEMENT AND REPLACEMENT (AMR)**

AMR is the practice of strategically managing the life cycle of the City's capital infrastructure to achieve the greatest return on every tax dollar invested. The capital infrastructure's life-cycle includes how the asset is planned, designed, constructed, operated, maintained, replaced, and disposed. Capital infrastructure includes streets, roads, public facilities, parks, and drainage facilities.

- Streets and Roads - Assets related to the provision of transportation (e.g., pedestrians, bicycles, and vehicles)
- Public Facilities - Building and land assets used for a diverse range of services including community services, recreation, accommodation, and municipal administration.
- Parks - Assets which provide opportunities for organized and informal recreation activities, provide aesthetic and cultural value to the community, and provide public spaces for social interaction.
- Drainage Facilities - Assets which provide a measure of flooding protection to the community from storm water runoff and those assets which improve the water quality of storm water runoff going into main drains and waterways.

## **PROCESS**

As assets age, their performance will deteriorate. Therefore, a process must be applied to determine when the ability of an asset to meet service standards deteriorates to an unacceptable level. This means considering all management options and strategies as part of the asset lifecycle, from planning to disposal. The objective of managing the assets in this manner is to look at long-term cost impacts when making asset management decisions. The AMR Plan is based on applicable management studies, best practices, and analysis and should be updated every five years. The actual replacement of assets is dependent on staff analysis and recommendation after a review of any variables.

## **POLICY**

The purpose of the Asset Management and Replacement Policy (AMRP) is to demonstrate the City's commitment to the responsible management of the City's capital infrastructure. The Policy ensures adequate provisions are made for the long-term replacement of the City's capital infrastructure by:

- Incorporating appropriate asset management best practices to ensure that the City delivers the highest appropriate level of service through its assets;
- Applying transparent and responsible financial management of City assets.
- Meeting or surpassing legislative requirements for asset management.
- Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.

## **FUNDING STRATEGY**

The funding of the AMRP will be based on:

- An evaluation of available funds in the General Fund, Special Reserve Funds, and the Internal Service Funds;
- A comparison of available funds against the requirements of AMR Plan;
- Establishment of a separate AMAR Fund and Policy that best meets the needs of the City.

When established, the drafting of the actual AMAR Fund Policy will be dependent on Council guidance and direction based on the analysis of the completed management studies.

The purpose of the Asset Management Fund is to:

- Accumulate earnings to provide a long-term funding source for replacement/rehabilitation of City infrastructure while preserving the principal balance of the Fund;
- Provide financial reserves to respond to natural disasters and other emergencies;
- Provide a source for internal loans and liquidity;
- Serve as collateral for City debt issues;
- Asset Management Fund assets may not be used for any purpose without approval of the City Council.

## **REPLACEMENT FUNDS**

The Information Technology Fund has been established as an Internal Service Fund, for the purpose of accumulating the funds necessary to replace the City's technology infrastructure (hardware and software). Annually, each department owning an eligible technology-related asset contributes an amount equivalent to the estimated cost to replace the item at the end of its useful life. Eligible assets funded through the Information Technology Fund include those technology related assets that have a useful life longer than three years and cost in excess of \$5,000.

The Fleet Fund has been established as an Internal Service Fund, for the purpose of accumulating the funds necessary to replace the City's fleet and major equipment. Annually, each department owning an eligible vehicle or piece of large equipment contributes an amount equivalent to the estimated cost to replace the item at the end of its useful life. Eligible assets funded through the Fleet Fund include vehicles and large equipment items that have a useful life longer than three years and cost in excess of \$10,000.



# Investment Policy

## **INTRODUCTION**

The purpose of this document is to set out the policies and procedures that enhance opportunities for a prudent and systematic investment program and to organize and formalize investment-related activities. The investment policies and practices of the City of Lake Elsinore (the "City") are, in every case, subject to and limited by applicable provisions of state law and to prudent money management applicable provisions of Chapter 4 of Part 1 of Division 2 Title 5 of the California Government Code (Section 53600 et seq.).

## **SCOPE**

The investment policy applies to all financial assets, except bond proceeds and retirement funds, accounted for in the City of Lake Elsinore Comprehensive Annual Financial Report (CAFR) and any new fund created by the City Council, unless specifically exempted. The investment of bond proceeds will be governed by the provisions of relevant bond documents.

## **OBJECTIVES**

The primary objectives, in priority order, of the City's investment activities shall be:

**A. Safety of Principal:** Safety of Principal is the foremost objective of the City. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The City shall seek to preserve principal by mitigating two types of risk: credit risk and interest rate risk.

**1. Credit Risk:** The City will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:

- a. Limiting investments to the types of securities listed in the Authorized Investments section of this Investment Policy.
- b. Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

**2. Interest Rate Risk:** The City will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in the market interest rates, by:

- a. Structuring the investment portfolio with marketable securities so that securities can be liquidated to meet cash flow needs or structuring the portfolio to meet cash requirements for ongoing operations.

**B. Liquidity:** Historical cash flow trends are compared to current cash flow requirements on an ongoing basis in an effort to ensure that the City's investment portfolio will remain sufficiently liquid to enable the City to meet all reasonably anticipated operating requirements.

**C. Yield:** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

## **PRUDENCE**

In managing its investment program, the City will observe the "Prudent Investor" standard as stated in Government Code Section 53600.3, applied in the context of managing an overall portfolio. Investments will be made with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

This standard of prudence shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

## **PERFORMANCE EVALUATION**

Investment performance is to be continually monitored and evaluated by the Assistant City Manager. The City's primary portfolio performance will be measured against a total return index with securities with similar attributes and similar average maturity, e.g., the Merrill Lynch 1-5 Year U.S. Treasury Index.

## **DELEGATION OF AUTHORITY**



In accordance with the City Council Policy of the City of Lake Elsinore and under authority granted by the City Council, the City Treasurer's function and responsibility for investing the unexpended cash in the City Treasury has been delegated to the City Manager or his designee. The responsibility for conducting the City's investment program has been delegated to the Assistant City Manager, who shall establish written procedures for the operation of the investment program consistent with this investment policy. Such procedures shall include explicit delegation of authority to persons responsible for all investment activities.

No person may engage in an investment transaction except as provided under the terms of the policy and the procedures established by the Assistant City Manager. Portfolio management and transactions may be delegated to an independent investment advisor registered with the SEC.

#### **INVESTMENT PROCEDURES**

The City Manager or his designee shall establish written investment procedures and a system of controls to regulate the operation of the investment program and the activities of subordinate officials consistent with this policy. The procedures should include references to: safekeeping, repurchase agreements, wire transfer agreements, banking service contracts and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of the policy and procedures established by the City Manager or his designee.

#### **ETHICS AND CONFLICTS OF INTEREST**

Officers and employees involved in the investment process shall refrain from personal business activity that conflicts with proper executions of the investment program, or impairs their ability to make impartial investment decisions. Additionally, City Officials are required to annually file applicable financial disclosures as required by the Fair Political Practices Commission (FPPC).

#### **SAFEKEEPING AND CUSTODY**

To protect against fraud or embezzlement of losses caused by collapse of an individual securities dealer, all securities owned by the City shall be held in safekeeping by a third party bank/trust department. All security transactions entered into by the City of Lake Elsinore shall be conducted on delivery-versus-payment (DVP) basis. All securities purchased or acquired shall be delivered to the City of Lake Elsinore by book entry, physical delivery, or by third party custodial agreement as required by CGC 53601. Securities held custody of the City shall be independently audited on an annual basis to verify investment holdings. All exceptions to this safekeeping policy must be approved by the City Manager in written form and included in monthly reporting to the City Council.

#### **DIVERSIFICATION**

The City of Lake Elsinore will diversify its investments by security type and institution. It is the policy of the City of Lake Elsinore to diversify its investment portfolio. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. Diversification strategies shall be determined and revised periodically. In establishing specific diversification strategies, the following general policies and constraints shall apply:

- Maturities selected shall provide for stability of income and liquidity
- Disbursement and payroll dates shall be covered through maturity investments and marketable securities

#### **INTERNAL CONTROL**

The investment portfolio and all related transactions are reviewed and balanced to appropriate general ledger accounts by the Finance Staff on a monthly basis. An independent analysis by an external auditor shall be conducted annually to review internal control; account activity, and compliance with policies and procedures and reported to City Council.

#### **REPORTING**

Each month the City Manager or his designee shall submit to City Council, and the City Treasurer a monthly report of investment transactions. The report shall also include a detailed security report. If all funds are placed in LAIF, FDIC insured accounts, and/or in a county investment pool, the foregoing report elements may be replaced by copies of the latest statements from such institutions. The City Manager or his designee shall maintain a complete and timely record of all investment transactions.

Additionally, every quarter the City Manager or his designee shall render to the City Council and the City Treasurer a quarterly investment report, which shall include, at a minimum, the following information for each individual investment:

- Type of investment instrument (i.e., Treasury Bill, medium term note)
- Issuer name (i.e., General Electric Credit Corporation)
- Purchase date (trade and settlement date)
- Maturity date
- Par value

- Purchase price
- Current market value and the source of the valuation
- Overall portfolio yield based on cost

The quarterly report shall a) state compliance of the portfolio to the statement of investment policy, or manner in which the portfolio is not in compliance; b) include a description of any of the City's funds, investments, or programs that are under the management of contracted parties, including lending programs; and c) include a statement denoting the ability of the City to meet its expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or shall not, be available.

#### **AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS**

The City Manager or his designee will maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness with at least five years of operation. The City Manager or his designee will review the financial condition and registrations of qualified bidders annually.

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines to be submitted annually
- Proof of Financial Industry Regulatory Authority (FINRA) certification (not applicable to Certificate of Deposit counterparties)
- Proof of state registration
- Complete broker/dealer questionnaire (not applicable to Certificate of Deposit counterparties)
- Certification of having read and understood and agreeing to comply with the City's Investment Policy prior to commencing trading
- Evidence of adequate insurance coverage

An annual review of the financial condition and registrations of qualified bidders will be conducted by the City Manager or his designee. The City may also use brokers/dealers approved and evaluated by SEC registered investment advisor acting in a fiduciary capacity for the City. The City is required to obtain at least 3 competing bids from different brokers/dealers for every purchase or sale of a security.

#### **AUTHORIZED INVESTMENTS**

Investment of City funds is governed by the California Government Code sections 53601 et seq. Unless otherwise specified in this section, no investment shall be made in any security, other than a security underlying a repurchase agreement as authorized by this section, that at the time of the investment has a term remaining to maturity in excess of five years. The City Manager or his designee is authorized to purchase the following investment:

- U.S. Treasury, notes, bonds, bills, or other certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.
- Federal agency or United States government-sponsored enterprise obligations, participation, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. No more than 40% of the City's portfolio may be invested in any one federal agency.
- Obligations of the State of California or any local agency within the state, including bonds payable solely out of revenues from a revenue producing property owned, controlled or operated by the state or any local agency or by a department, board, agency or authority of the state or any local agency, provided that such obligations are rated in one of the top three rating categories by a NRSRO and are general obligation bonds or essential service bonds secured with revenue from a water, sewer, power, or electric system.
- Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California, provided that such obligations are rated in one of the top three rating categories by a NRSRO and are general obligation bonds or essential service bonds secured with revenue from a water, sewer, power, or electric system.
- Repurchase agreements are to be used solely as short-term investments not to exceed 30 days. The City may enter into repurchase agreements with primary government securities dealers rated "A" or its equivalent or better by two nationally recognized rating services. Counterparties should also have (i) a short-term credit rating in the highest category by a nationally recognized statistical rating organization (NRSRO); (ii) minimum assets and capital size of \$25 billion in assets and \$350 million in capital; (iii) five years of acceptable audited financial results; and (iv) a strong reputation among market participants.



The following collateral restrictions will be observed: Only U.S. Treasury securities or Federal Agency securities will be acceptable collateral. All securities underlying repurchase agreement must be delivered to the City's custodian bank versus payment or be handled under a properly executed tri-party repurchase agreement. The total market value of all collateral for each repurchase agreement must equal or exceed 102% of the total dollar value of the money invested by the City for the term of the investment. For any repurchase agreement with a term of more than one day, the value of the underlying securities must be reviewed on an on-going basis according to market conditions. Market value must also be calculated each time there is a substitution of collateral.

Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102% no later than the next business day. The City or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to repurchase agreement. The City shall have properly executed a Master Repurchase Agreement with each counter party with which it enters into repurchase agreements.

- Bills of exchange or time drafts drawn on and accepted by a commercial bank and brokered to investors in the secondary market, otherwise known as bankers' acceptances. Purchases of bankers' acceptances may not exceed 180 days' maturity, or 40% of the City's surplus money that may be invested. However, no more than 30% of the City's surplus funds may be invested in the bankers' acceptances of any one commercial bank. Eligible bankers' acceptances are restricted to issuing financial institutions with short-term paper rated in the highest category by one NRSRO.
- Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2) below:

1. The entity meets the following criteria: (a) is organized and operating in the United States as a general corporation. (b) Has total assets in excess of five hundred million dollars (\$500,000,000). (c) Has debt other than commercial paper, if any, that is rated "A" or higher by a NRSRO.
2. The entity meets the following criteria: (a) Is organized within the United States as a special purpose corporation, trust, or limited liability company. (b) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (c) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO.

The City may invest no more than 25% of its portfolio in eligible commercial paper with a maximum maturity of 270 days.

- Medium term notes with a maximum remaining maturity of five years or less issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subsection must be rated in one of the top three rating categories by a NRSRO and shall not be on credit watch for a potential downgrade by a NRSRO. Purchases of medium term notes may not exceed 30% of the City's portfolio.
- FDIC-insured or fully collateralized time certificates of deposit in financial institutions located in California, including U.S. branches of foreign banks licensed to do business in California. Any amounts invested in excess of the FDIC insured deposit limit must be collateralized in accordance with California Government Code Section 53561.
- Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally or state-licensed branch of a foreign bank. Purchases are limited to securities rated in a rating category of "AA" (long-term) or "A-1" (short-term) or their equivalents or better by a NRSRO. Purchases of negotiable certificates of deposit may not exceed 30% of the portfolio.
- State of California's Local Agency Investment Fund (LAIF). Investment in LAIF may not exceed \$75 million. The LAIF portfolio should be reviewed periodically.
- California Asset Management Program (CAMP).
- Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). The purchase price of shares shall not exceed 20 percent of the investment portfolio of the City. To be eligible for investment pursuant to this subdivision these companies shall either:
  1. Attain the highest ranking letter or numerical rating provided by not less than two of the three largest NRSRO; or
  2. Have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years of experience managing money market mutual funds and with assets under management in excess of \$500,000,000.
- Insured savings account or money market account. To be eligible to receive local agency deposits, a financial institution must have received a minimum overall satisfactory rating for meeting the credit needs of California Communities in its most recent evaluation.
- Supranational-specifically the International Bank for Reconstruction and Development, International Finance Corporation, and Inter-American Development Bank.
  1. Purchases restricted to debt denominated in U.S. dollars.
  2. Supranational eligible for investment under this subsection must be rated in one of the top two rating categories by a NRSRO.

3. Purchases of supranational may not exceed 30% of the City's portfolio.

- Asset-Backed Securities (ABS)

1. ABS eligible for investment under this subsection must be rated in a rating category of "AA" or its equivalent or better by a NRSRO with a maximum remaining maturity of 5 years or less.

2. Purchase of ABS may not exceed 20% of the City's portfolio.

- Placement Service Deposits (PSD) where funds may be placed with a bank that uses a private sector entity that assists in the placement of deposit with eligible financial institutions located in the United States (CGC § 53601.8).

Credit criteria and sectors and issuers percentages for investments listed in this section will be determined at the time the security is purchased. A decline in the overall investment balances that causes the percent to any investment above its maximum policy limit will not be considered out of compliance. The City may from time to time be invested in a security whose rating is downgraded. In the event a rating drops below the minimum allowed rating category for that given investment type, the City Manager or his designee shall notify the City Treasurer, and City Council and recommend a plan of action. Notwithstanding anything herein to the contrary, with the exception of the U.S. Treasury, federal agency institutions, and government sponsored enterprises no more than 5% of the City's portfolio may be invested in securities issued by any one corporate, financial, or municipal issuer.

### **PROHIBITED INVESTMENTS**

Any security type or structure not specifically approved by this policy is hereby specifically prohibited. Security types which are thereby prohibited include, but are not limited to, inverse floaters, derivatives, range notes, interest only strips that are derived from a pool of mortgages, or in any investment that could result in zero interest accrual if held to maturity except as authorized by Code Section 53601.6.

### **LEGISLATIVE CHANGES**

Any State of California legislative action that further restricts allowable maturities, investment type or percentage allocations will be deemed to be incorporated into the City of Lake Elsinore's investment policy and will supersede any and all applicable language.

### **INTEREST EARNINGS**

All moneys earned and collected from investments authorized in this policy shall be allocated quarterly to various fund accounts based on the cash balance in each fund as a percentage of the entire pooled portfolio.

### **POLICY REVIEW**

The City of Lake Elsinore's investment policy shall be adopted by the City Council on an annual basis. This investment policy shall be reviewed at least annually to insure its consistency with the overall objectives of preservation of principal, liquidity and yield, and its relevance to current law and financial and economic trends. Any amendments to the policy shall be forwarded to the City Council for approval.

# Capital Financing and Debt Management Policy

This Debt Management Policy (the “Debt Policy”) establishes the parameters within which debt may be issued and administered by the City of Lake Elsinore and Covered Entities. Additionally, these policies apply to debt issued by a Covered Entity on behalf of assessment, community facilities, or other special districts, and conduit-type financing by a Covered Entity for multifamily housing or industrial development projects.

The Debt Policy may be utilized by staff of the Covered Entities with the discretion to deviate as determined appropriate by the City Manager/Executive Director or Finance Director and may be amended by the governing board of the applicable Covered Entity as it deems appropriate from time to time in the prudent management of the debt and capital financing needs of the Covered Entities.

## **PURPOSE**

This Debt Policy is intended to comply with Government Code Section 8855(i), and shall govern all debt undertaken by a Covered Entity.

The Covered Entities hereby recognize that a fiscally prudent debt policy is required in order to:

- Maintain the Covered Entities' sound financial position.
- Ensure the Covered Entities have the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the Covered Entities' credit-worthiness.
- Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the Covered Entities.

## **POLICY**

### **A. Purposes for Which Debt May Be Issued**

1. Long-Term Debt. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and operated by the City. Long-term debt financings are appropriate when the following conditions exist:

- a. When the project is financed, it is necessary to provide basic services.
- b. When the project to be financed will provide benefit to constituents over multiple years.
- c. When total debt does not constitute an unreasonable burden to the Covered Entities and the City's taxpayers and/or ratepayers, as applicable.
- d. When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.

Long-Term Debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses.

The Covered Entities may use long-term debt financings subject to the following conditions:

- a. The project to be financed must be approved by the governing board of the Covered Entity.
- b. The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%.
- c. The Covered Entity estimates that sufficient revenues will be available to service the debt through its maturity.
- d. The Covered Entity determines that the issuance of the debt will comply with the applicable state and federal law.

2. Short-Term Debt. Short-term debt may be issued to provide financing for the Covered Entities' operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance short-lived capital projects; for example, the Covered Entities may undertake lease-purchase financing for equipment.

3. Financings on Behalf of Other Entities. The Covered Entities may also find it beneficial to issue debt on behalf of other governmental agencies or private third parties in order to further the public purposes of Covered Entities. In such cases, the Covered Entities shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein.

### **B. Types of Debt**

The following types of debt are allowable under this Debt Policy:

1. General obligation bonds (GO Bonds)
2. Bond or grant anticipation notes (BANs)
3. Lease revenue bonds, certificates of participation (COPs) and lease-purchase transactions
4. Other revenue bonds and COPs
5. Tax and revenue anticipation notes (TRANs)
6. Land-secured financing, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment statutes
7. Tax increment financing to the extent permitted under State law
8. Conduit financings, such as financing for affordable rental housing and qualified 501(c)(3) organizations



The governing body may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy.

#### C. Relationship of Debt to Capital Improvement Program and Budget

The City and Covered Entities are committed to long-term capital planning. The City and Covered Entities intend to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the capital budget and the capital improvement plan.

The City and Covered Entities shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The City and Covered Entities shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

The Covered Entities shall integrate their debt issuances with the goals of the capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of their public purposes.

The Covered Entities shall seek to avoid the use of debt to fund infrastructure and facilities improvements in circumstances when the sole purpose of such debt financing is to reduce annual budgetary expenditures.

The Covered Entities shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its general fund.

#### D. Policy Goals Related to Planning Goals and Objectives

The City and Covered Entities are committed to long-term financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. The Covered Entities intend to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the annual operations budget.

It is a policy goal of the City and the Covered Entities to protect taxpayers, ratepayers (if applicable) and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The City and the Covered Entities will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

When refinancing debt, it shall be the policy goal of the Covered Entities to realize, whenever possible, and subject to any overriding non-financial policy considerations, (i) minimum net present value debt service savings equal to or greater than 3.0% of the refunded principal amount, and (ii) present value debt service savings equal to or greater than 100% of any escrow fund negative arbitrage.

#### E. Internal Control Procedures

When issuing debt, in addition to complying with the terms of this Debt Policy, the Covered Entities shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

Without limiting the foregoing, the Covered Entities will periodically review the requirements of and will remain in compliance with the following:

1. Any continuing disclosure undertakings entered into by the Covered Entities in accordance with SEC Rule 15c2-12.
2. Any federal tax compliance requirements, including, without limitation, arbitrage and rebate compliance.
3. Investment policies as they relate to the use and investment of bond proceeds.

Proceeds of debt will be held either (a) by a third-party trustee or fiscal agent, which will disburse such proceeds to or upon the order of the Covered Entities upon the submission of one or more written requisitions by the City Manager/Executive Director or Finance Director, or his or her written designee, or (b) by the Covered Entity, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the Covered Entity.



# Inter-Fund Transfers and Loan Policy

## **ESTABLISHMENT OF VARIOUS FUNDS**

The City has established various funds to account for revenues whose use should be restricted to certain activities. Accordingly, each fund exists as a separate financing entity from other funds, with its own revenue sources, expenditures and fund equity.

## **TRANSFER BETWEEN FUNDS**

Any transfers between funds for operating purposes are set forth in the budget. These operating transfers, under which financial resources are transferred from one fund to another, are distinctly different from inter-fund borrowings, which are usually made for temporary cash flow reasons, and are not intended to result in a transfer of financial resources. In summary, inter-fund transfers result in a change in fund equity; inter-fund borrowings do not, as the intent is to repay the loan in the near term.

## **INTER-FUND LOANS**

Inter-fund loans may be appropriate whenever the loan is expected to be repaid within the immediate future. The most common use of inter-fund loans is for grant programs, where costs are incurred before drawdowns are initiated and received. Receipt of funds is typically received shortly after the request for funds has been made.





# Budget Process

The City of Lake Elsinore's fiscal year begins each July 1st and concludes on June 30th. In accordance with fundamental democratic principles, the City embraces citizen participation, especially in key planning and resource allocation activities. In addition, departments obtain citizen input through Board and Commission meetings, Mayor's Forums, public hearings, and other forms of written and oral communication.

The Administrative Services Department begins the annual budget process in February each year. The budget team updates the policies and procedures for budget preparation, creates the budget process calendar, and prepares current budget schedules for each department to use in preparing the new budget. A budget kickoff workshop was held with the City Manager, Department Directors, and Department Analysts. This workshop included a briefing on the status of the current fiscal year budget, a review of the budget process calendar, and discussion on essential principals and elements of the budget process. Staff are provided with a practical application to assist in the development of the departmental budget requests, which include:

- Review and evaluate current goals (and performance measurements)
- Identify new goals and programs
- Identify the impacts of new programs on existing resources, examine organizational efficiency and locate existing resources to address the impacts
- Identify additional resource requirements (if existing resources will be exhausted)

The operating budget preparation guidelines are distributed at this time. The guidelines outline the policies and procedures to be used in preparing the annual budget. Clearly defined budget requirements and time sensitive budget document objectives are discussed, ensuring complete and accurate understanding by all.

Milestones are outlined in the guidelines, along with the concurrent development of financial projections, objectives, and requirements at the staff level. With this approach, the policies and priorities that guide expenditure considerations are incorporated into the proposed budget prior to formal submission to the City Council. Assistance is provided to each department in reviewing historical expenditure information, personnel costs, and in refining departmental goals, objectives, and performance measures.

For the purpose of budget preparation and formulation, department budget submittals consisted of detail by expenditure line item. Specific justification is required for the following:

- Significant expenditure changes
- Personnel costs, including all temporary personnel costs and proposed staffing reclassifications
- Contracted services
- Purchases of new equipment (greater than \$5,000)

Analysis is conducted of each department's request. Five-year revenue and expenditure projections are developed by the Administrative Services Department to assist in identifying the long-range impacts of proposed staffing and program changes. The information is compiled for the City Manager review.

In the last two weeks of April, the City Manager and key Administrative Services Department staff held meetings with each Department Director to discuss their department budget requests and to obtain additional information to assist in the assessment of the requests.

# CITY OF LAKE ELSINORE, CALIFORNIA

## FY2023-24 BUDGET CALENDAR

MONTH	DESCRIPTION	TIMELINE
<b>JANUARY</b>	Mid-year budget analysis and revision Prepare agenda reports and proposed mid-year budget documents Council adoption of mid-year operating and CIP budgets Development of budget parameters/strategic goals	January 8 January 13 January 24 January 31
<b>FEBRUARY</b>	Distribution of Budget Preparation Guidelines Budget workshop with key City staff Development of program goals and objectives Development of performance measures "New" Budget requests submitted to Finance for review Proposed CIP ("Capital Improvement Plan") projects submitted to Finance Budget requests submitted to Finance for review	February 3 February 10 February 17 February 17 February 24 February 24 February 24
<b>MARCH</b>	Department operating budget submittals reviewed All non-fee based revenue estimates completed by Finance All fee based revenue estimates submitted to Finance Budget analysis prepared for review by City Manager	March 3 March 3 March 3 March 10
<b>APRIL</b>	Preliminary Operating and CIP budgets prepared Department Hearings with City Manager CIP project timing and priorities modified based on available revenues Five-year financial projection completed	March 31 April 14 April 21 April 28
<b>MAY</b>	Public Hearing Planning Commission - CIP Conformance with General Plan	May 16
<b>JUNE</b>	Prepare agenda reports and proposed budget documents Council adoption of final Operating and CIP Budgets Council adoption of Schedule of Authorized Positions and Gann Appropriations Limit	June 2 June 13 June 13
<b>ONGOING</b>	Monthly budget/actual reports reviewed & sent to Departments Quarterly financial statements prepared and presented to City Council	Monthly Quarterly



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# FINANCIAL SUMMARY

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## Fund Balance Summary - All Funds

Fund	BEGINNING FUND BALANCE	REVENUES	APPROPRIATIONS	PROJECTED ENDING FUND BALANCE
<b><u>FY2023-24 ADOPTED OPERATING BUDGETS</u></b>				
100 GENERAL FUND	17,114,542	68,487,600	68,487,600	17,114,542
101 SUPPLEMENTAL LAW ENF. (SLESF)	-	177,000	177,000	-
102 MEASURE Z	16,254,783	16,470,000	30,776,699	1,948,084
103 THE ANCHOR	-	1,210,480	1,210,480	-
104 TRAFFIC OFFENDER FUND	-	30,000	30,000	-
106 AFFORDABLE HOUSING IN-LIEU	4,261,728	111,000	4,372,728	-
107 DEVELOPER AGREEMENT	-	25,200	25,200	-
108 AMERICAN RESCUE PLAN	5,959,900	-	5,959,900	-
110 STATE GAS TAX FUND (OPER & CIP)	220,720	2,051,900	2,272,620	-
114 SB1186 CAS EDUCATION FUND	44,653	13,000	2,100	55,553
115 TRAFFIC SAFETY FUND	-	175,000	175,000	-
130 CITY-WIDE LLMD FUND	104,088	2,174,187	2,174,187	104,088
135 LLMD NO. 1	754,447	791,059	1,141,822	403,684
155 NPDES	-	1,098,170	1,098,170	-
180 LAUNCH POINTE	15,580,390	5,087,000	5,898,193	14,769,197
300 INSURANCE SERVICES	1,388,175	841,440	956,457	1,273,158
305 INFORMATION SYSTEMS SERVICES	2,032,388	2,443,220	2,518,470	1,957,138
310 SUPORT SERVICES	58,195	119,590	108,720	69,065
315 FLEET SERVICES	2,085,104	1,881,720	1,834,035	2,132,789
320 FACILITIES SERVICES	1,944,022	1,017,880	1,050,310	1,911,592
341 CFD 2017-1S MISSION TRAIL SERVICES FUND	-	9,855	9,855	-
342 CFD 2007-5S RED KITE SERVICES FUND	-	15,900	15,900	-
343 CFD 2006-2S VISCAYA SERVICES FUND	-	58,067	58,067	-
344 CFD 2005-2S ALBERHILL RANCH SERVICES FUND	-	195,975	195,975	-
358 CFD 2007-4S MAKENNA SERVICES FUND	-	29,555	29,555	-
362 CFD 2006-8S RUNNING DEER ESTATES SERVICE	-	65,055	65,055	-
367 CFD 2006-1S SUMMERLY SERVICE FUND	-	579,605	579,605	-
373 CFD 2005-5S WASSON CANYON SERVICES FUND	-	65,671	65,671	-
650 CFD 2003-1S LAW, FIRE & PARAMEDIC SERVICES	-	3,519,653	3,519,653	-
651 CFD 2006-5S PARK, OPEN SPACE & STORM DRAIN	-	119,591	119,591	-
652 CFD 2007-1S LAW, FIRE & PARAMEDIC SERVICES	-	119,641	119,641	-
653 CFD 2009-1S PARK, OPEN SPACE/STREET LIGHT	-	789,803	789,803	-
655 CFD 2015-1S LAW, FIRE & PARAMEDIC SERVICES	-	749,967	749,967	-
<b>OPERATING BUDGET SUBTOTALS</b>	<b>67,803,135</b>	<b>110,523,784</b>	<b>136,588,029</b>	<b>41,738,890</b>



<b>Fund</b>	<b>BEGINNING FUND BALANCE</b>	<b>REVENUES</b>	<b>APPROPRIATIONS</b>	<b>PROJECTED ENDING FUND BALANCE</b>
<b>FY2023-24 ADOPTED AD/CFD/LERA/PFA BUDGETS</b>				
331 CFD 2006-1 IA CC SUMMERLY IMPROVEMENT	302,802	191,440	494,242	-
332 CFD 2006-1 IA B SUMMERLY IMPROVEMENT	145,496	186,559	332,055	-
333 CFD 2015-4 TERRACINA IMPROVEMENT	-	10,500	10,500	-
334 CFD 2015-5 TRIESTE IMPROVEMENT	105,124	168,139	273,263	-
335 CFD 2003-2 IA E CANYON HILLS IMPROVEMENT	238,963	182,797	421,760	-
336 CFD 2006-1 IA FF SUMMERLY IMPROVEMENT	163,297	226,264	389,561	-
337 CFD 2016-2 CANYON HILLS IMPROVEMENT FUND	3,557,273	1,324,310	4,881,583	-
338 CFD 2006-1 IA JJ SUMMERLY IMPROVEMENT FUND	584,356	339,223	923,579	-
339 CFD 2006-1 IA KK SUMMERLY IMPROVEMENT FUND	535,465	278,515	813,980	-
340 CFD 2006-1 IA EE SUMMERLY IMPROVEMENT FUND	532,318	299,793	832,111	-
345 CFD 2003-2 IA D CANYON HILLS IMPROVEMENT	2,142,272	1,940,940	4,083,212	-
346 CFD 2014-1 SOUTHSORE IMPROVEMENT FUND	6,223	-	6,223	-
347 CFD 2006-1 IA A SUMMERLY IMPROVEMENT FUND	156,152	249,996	406,148	-
350 CFD 98-1 SUMMERHILL IMPROVEMENT FUND	822,718	1,110,395	1,933,113	-
351 CFD 2006-1 IA II SUMMERLY IMPROVEMENT FUND	713,996	437,905	1,151,901	-
354 CFD 90-2 TUSCANY HILLS IMPROVEMENT FUND	1,070,814	1,087,659	2,158,473	-
355 RAD 2021-1 CANYON HILLS IMPROVEMENT FUND	1,374,463	1,199,427	2,573,890	-
357 CFD 2003-02 IA A CANYON HILL IMPROVEMENT	1,589,194	987,139	2,576,333	-
359 CFD 2021-1 IA 2 TUSCANY VALLEY IMPROVEMENT	-	10,500	10,500	-
363 CFD 2023-1 LAKESIDE IMPROVEMENT FUND	-	10,500	10,500	-
364 CFD 2023-2 LAKESHORE IMPROVEMENT FUND	-	10,500	10,500	-
366 CFD 2005-6 CITY CENTER TOWNHOMES IMPRVMT	388,721	271,381	660,102	-
368 CFD 2006-2 VISCAYA IMPROVEMENT FUND	803,085	532,544	1,335,629	-
369 CFD 2004-3 IA 1 ROSETTA CANYON IMPROVEMENT	2,874,577	1,745,687	4,620,264	-
370 CFD 2006-1 IA HH SUMMERLY IMPROVEMENT FUND	608,311	339,442	947,753	-
371 CFD 2005-1 SERENITY IMPROVEMENT FUND	1,120,351	685,193	1,805,544	-
372 CFD 2005-2 IA A ALBERHILL RANCH IMPROVEMENT	2,831,985	1,629,336	4,461,321	-
374 CFD 2005-4 LAKE VIEW VILLAS IMPROVEMENT	-	10,500	10,500	-
375 CFD 2006-4 CLURMAN FUND	-	265,294	265,294	-
376 CFD 2006-3 LA STRADA IMPROVEMENT FUND	-	10,500	10,500	-
377 CFD 2006-6 TESSARA IMPROVEMENT FUND	6,851	225,589	232,440	-
378 CFD 2006-8 RUNNING DEER ESTATES IMPRVMT	9,195	138,590	147,785	-
379 CFD 2022-1 ALBERHILL IMPROVEMENT FUND	-	10,500	10,500	-
384 CFD 2003-2 IA B CANYON HILLS IMPROVEMENT	2,620,110	2,003,934	4,624,044	-
385 CFD 2004-3 IA 2 ROSETTA CANYON IMPROVEMENT	3,061,997	1,930,802	4,992,799	-
386 CFD 2007-4 MAKENNA COURT IMPROVEMENT	110,712	189,910	300,622	-
387 CFD 2007-5 RED KITE IMPROVEMENT FUND	164,468	134,592	299,060	-
388 CFD 2007-6 HOLIDAY INN EXPRESS IMPROVEMENT	15	6,730	6,745	-
389 CFD 88-3 WEST LAKE VILLAGES IMPROVEMENT	2,320	-	2,320	-
390 CFD 2003-2 IA C CANYON HILLS IMPROVEMENT	1,433,301	856,194	2,289,495	-
392 CFD 95-1 CIVIC CENTER IMPROVEMENT FUND	157,004	165,432	322,436	-
394 CFD 2005-5 WASSON CANYON IMPROVEMENT	189,348	290,201	479,549	-
395 CFD 2018-1 WASSON CANYON II IMPROVEMENT	4,961	10,500	15,461	-
396 CFD 2019-2 NICHOLS RANCH IMPROVEMENT FUND	284	10,500	10,784	-
397 CFD 2019-1 WESTLAKE IMPROVEMENT FUND	609,087	377,028	986,115	-
398 CFD 2021-1 IA 1 TUSCANY VALLEY IMPROVEMENT	-	10,500	10,500	-
400 LE FINANCING AUTHORITY FUND	63,420	853,025	853,025	63,420
402 LEFFA 2017 LOCAL OBLIGATION BONDS FUND	4,118,907	200,000	291,963	4,026,944





FUND	BEGINNING FUND BALANCE	REVENUES	APPROPRIATIONS	PROJECTED ENDING FUND BALANCE
403 LEFFA 2020A REVENUE REFUNDING BONDS	15,103,288	500,000	1,030,000	14,573,288
404 LEFFA 2021 REVENUE REFUNDING BONDS	33,655,874	650,000	2,213,001	32,092,873
405 LEFFA 2021B REVENUE REFUNDING BONDS	10,431,013	605,000	554,100	10,481,913
406 LEFFA 2021A REVENUE REFUNDING BONDS	8,344	1,062,776	1,062,776	8,344
510 SARDA AREA I, II, III FUNDS	(35,033,415)	22,200,464	10,336,180	(23,169,131)
603 PUBLIC PURPOSE TRUST - CARL GRAVES FUND	56,483	1,000	640	56,843
604 ENDOWMENT TRUST - ADOLPH KORN FUND	13,231	1,000	14,231	-
617 SARDA HOUSING FUND	59,563,211	7,699,835	1,050,000	66,213,046
630 LAKE WATER MANAGEMENT ESCROW FUND	2,962,717	1,600,000	4,562,717	-
631 DESTRATIFICATION EQUIPMENT REPLACEMENT	569,593	100,000	50,000	619,593
739 LEPFA 2014 SERIES B FUND	15,410,380	700,000	1,316,063	14,794,317
740 LEPFA 2015 FUND	91,611,982	4,000,000	7,060,349	88,551,633
<b>Fund: AD/CFD/LERA/PFA SUBTOTALS</b>	<b>229,572,637</b>	<b>62,276,480</b>	<b>83,536,034</b>	<b>208,313,083</b>
<b>FY2023-24 ADOPTED CAPITAL BUDGET</b>				
105 GENERAL PROJECTS (OPER & CIP)	110,989	-	110,989	-
109 SBI ROAD MAINTENANCE AND REHAB	247,300	1,772,440	2,019,740	-
111 TUMF CAPITAL PROJECT FUND	-	7,100,000	7,100,000	-
112 MEASURE 'A' FUND	344,950	2,299,000	2,643,950	-
113 SB821 FUND	-	463,766	463,766	-
116 CITY HALL/P.W. DIF FUND	-	50,600	50,600	-
117 COMMUNITY CENTER DIF FUND	165,470	50,500	215,970	-
118 LAKE SIDE FACILITIES DIF FUND	266,370	60,600	326,970	-
119 ANIMAL SHELTER FACILITY DIF FUND	-	25,200	25,200	-
121 TOTAL ROAD IMPROVEMENT PRGM (TRIP)	-	494,990	494,990	-
140 GEOTHERMAL FUND	13,720	300	14,020	-
150 CDBG FUND	-	1,042,020	1,042,020	-
160 PEG GRANT FUND	84,439	20,231	104,670	-
202 LA STRADA RBBF FUND	23,721	110	23,831	-
203 SUMMERLY TRAFFIC INFRASTRUCTURE FEE (ELSP)	3,336,140	10,100	3,346,240	-
205 TRAFFIC IMPACT FEE FUND	22,360	401,100	423,460	-
211 STORM DRAIN CIP FUND	3,047,190	265,000	3,312,190	-
221 QUIMBY FUND	-	51,100	51,100	-
231 LIBRARY CIP DIF FUND	1,337,360	25,100	1,362,460	-
232 FIRE PROTECTION DIF FUND	583,060	61,100	644,160	-
500 CAPITAL IMPROVEMENT PLAN FUND	10,641,143	74,805,496	85,446,639	-
540 SARDA DIAMOND STADIUM FUND	1,178,656	2,295,870	3,474,526	-
605 PUBLIC IMPROVEMENTS IN-LIEU FUND	1,675,847	16,000	1,691,847	-
606 AB2766 AIR POLLUTION REDUCTION FUND	268,050	72,100	274,049	66,101
<b>CAPITAL BUDGET SUBTOTALS</b>	<b>23,346,765</b>	<b>91,382,723</b>	<b>114,663,387</b>	<b>66,101</b>
<b>TOTALS</b>	<b>\$ 320,722,537</b>	<b>\$ 264,182,987</b>	<b>\$ 334,787,450</b>	<b>\$ 250,118,074</b>



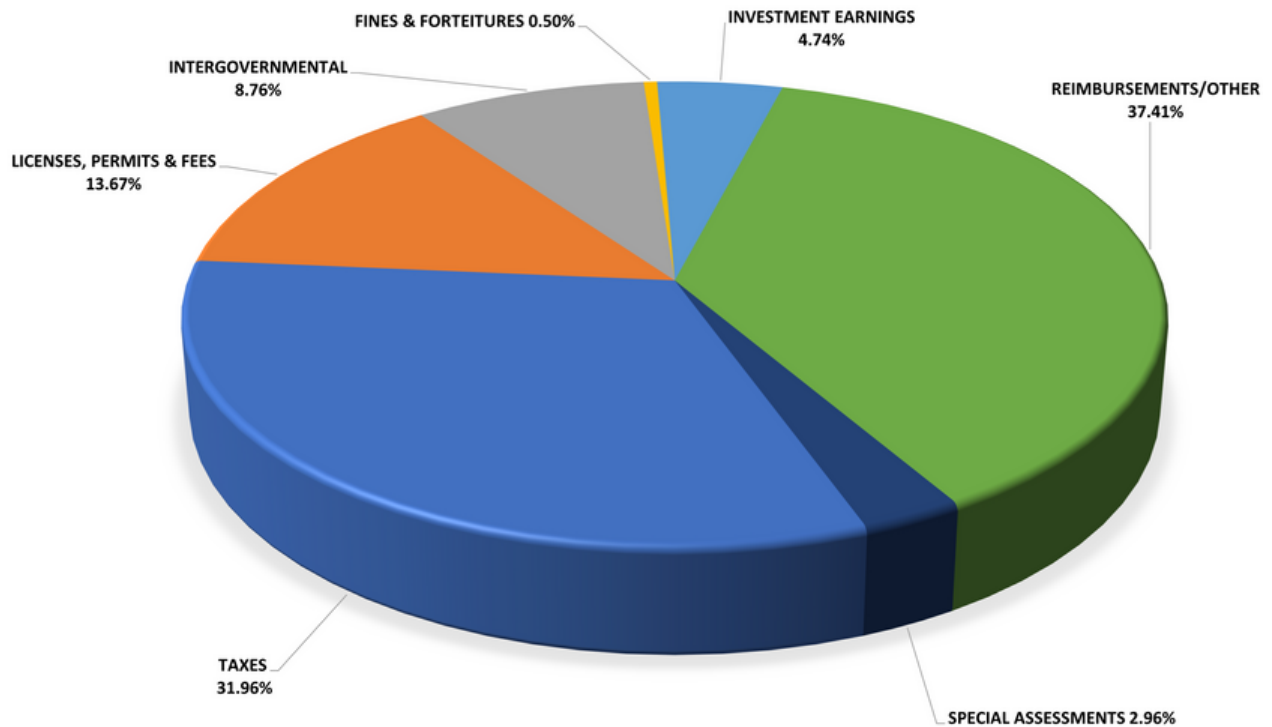
## Major Revenue Sources

	General Fund	Special Revenue/Debt Funds/CIP	Internal Service Funds	Enterprise Funds	SARDA	Total Revenues
<b>TAXES</b>						
Sales Tax	\$ 17,543,480					\$ 17,543,480
Measure Z		16,470,000				16,470,000
Property Tax	11,144,290				22,150,464	33,294,754
Franchise Tax	2,797,910					2,797,910
Property Transfer Tax	517,610					517,610
Other Tax	17,000					17,000
Transient Occupancy Tax	553,840					553,840
Fire Service Tax Credit/De Strat.	4,248,380	61,100				4,309,480
PEG Fees		20,231				20,231
<b>LICENSES, PERMITS &amp; FEES</b>						
Building Permit Fee	1,219,970					1,219,970
Other Licenses & Permits						
Business License	500,000					500,000
Special Event Fees	50,300					50,300
Encroachment Permit	206,000					206,000
D.A. Prop 64	1,400,000					1,400,000
Other	5,000					5,000
Engineering - Other	187,090					187,090
Temp/Conditional Use Permit	40,000					40,000
Fees						
City Clerk	15,850					15,850
Community Development	2,239,080					2,239,080
Engineering	2,300,960					2,300,960
Community Services	429,830					429,830
Administration	413,890					413,890
Facility Rentals - Other	481,050					481,050
Fire Prevention	113,250					
DIF Fees		706,990				706,990
Affordable Housing In-Lieu		111,000				111,000
Developer Agreement		25,200				25,200
NPDES		1,098,170				1,098,170
Launch Pointe				5,087,000		5,087,000
Charges For Service			6,248,850			6,248,850
CASp		13,000				13,000
T.U.M.F.		7,100,000				7,100,000
Diamond Stadium		2,295,870				2,295,870
<b>INTERGOVERNMENTAL</b>						
Vehicle License Fees	94,740					94,740
State Mandate Costs	98,750					98,750
Gas Tax		2,051,900				2,051,900
Federal/County/State Grants		14,568,711				14,568,711
County						
Measure A		2,299,000				2,299,000
SB821		463,766				463,766
CDBG		1,042,020				1,042,020
AB2766		72,100				72,100



<b>FINES &amp; FORFEITURES</b>	987,050	205,000				1,192,050
<b>INVESTMENT EARNINGS</b>	311,000	10,784,494	55,000		50,000	11,200,494
<b>REIMBURSEMENTS/OTHER</b>						
Capital Improvement Program		74,805,496				74,805,496
Public Safety	517,060					517,060
Street Program	1,000,000					1,000,000
Other	12,064,860					12,064,860
<b>SPECIAL ASSESSMENTS</b>	6,989,360					6,989,360
<b>TOTAL REVENUE</b>	<b>\$ 68,487,600</b>	<b>\$ 134,194,048</b>	<b>\$ 6,303,850</b>	<b>\$ 5,087,000</b>	<b>\$ 22,200,464</b>	<b>\$ 236,159,712</b>

	<b>General Fund</b>	<b>Special Revenue/Debt Funds</b>	<b>Internal Service Funds</b>	<b>Enterprise Funds</b>	<b>SARDA</b>	<b>Total Revenues</b>
TAXES	\$ 36,822,510	\$ 16,551,331	\$ -	\$ -	\$ 22,150,464	\$ 75,524,305
LICENSES, PERMITS & FEES	9,602,270	11,350,230	6,248,850	5,087,000	-	32,288,350
INTERGOVERNMENTAL	193,490	20,497,497	-	-	-	20,690,987
FINES & FORFEITURES	987,050	205,000	-	-	-	1,192,050
INVESTMENT EARNINGS	311,000	10,784,494	55,000	-	50,000	11,200,494
REIMBURSEMENTS/OTHER	13,581,920	74,805,496	-	-	-	88,387,416
SPECIAL ASSESSMENTS	6,989,360	-	-	-	-	6,989,360
<b>TOTAL REVENUE</b>	<b>\$ 68,487,600</b>	<b>\$ 134,194,048</b>	<b>\$ 6,303,850</b>	<b>\$ 5,087,000</b>	<b>\$ 22,200,464</b>	<b>\$ 236,272,962</b>



# General Fund Revenues

The General Fund is the main operating fund for the City of Lake Elsinore. It is used to account for all financial resources for the City that are not restricted to a special purpose and otherwise required to be accounted for in another fund. The General Fund provides the resources necessary to sustain the day-to-day activities and pays for all administrative and operating expenditures.

## Taxes: 53.8%

**Sales and Use Tax:** In accordance with the California Revenue and Taxation code, the State of California imposes 8.75% sales and use tax on all taxable sales in the City. Of the 8.75%, the City receives 1% of the taxable sales in the City. As a result, the FY2023-2024 revenue projections for sales tax reflects a 7.4% increase from FY2022-2023 estimates. This increase is primarily due to an anticipated increase in consumer activity as new businesses open their doors in FY2023-2024.

**Property Tax:** The valuation of property tax in the City is determined by the Riverside County Tax Assessor. The County levies a base tax at the rate of 1% of the assessed valuation. Approximately 4.78% of the base 1% levy is allocated to the City. The FY2023-2024 revenue estimate for property tax reflects a 6.3% increase over the projected FY2022-2023 amount.

**Franchise Fee:** The City imposes fees primarily on refuse hauling, gas, electric, and cable television operating in the City. The fee is 5% of gross receipts for utility companies and \$3,000 per year for towing companies. Overall, a 3% increase is projected in FY2023-2024 from the FY2022-2023 estimated amounts.

**Property Transfer Tax:** The Lake Elsinore Municipal Code authorizes the imposition of a transfer tax on real property sold in the City. The tax rate is \$0.275 for each \$500 of purchase value. The amount projected for FY2023-2024 of \$517,610 represents an increase of \$15,080 from FY2022-2023.

**Transient Occupancy Tax (TOT):** This is a 10% tax collected by the City on the amount of all transient (30 days or less) lodging rentals. TOT is projected to increase 26.7% from \$437,040 in FY2022-2023 to \$553,840 in FY2023-2024.

**Fire Service Tax Credit:** The City receives an estimated credit on its quarterly invoices from the County Fire Department. This credit is a structural fire tax incorporated with property tax that is assessed to homeowners within the County. The Fire Service Tax Credit for FY2023-2024 is estimated at \$4,215,480 a 8.6% increase from prior year.

## Reimbursements & Other: 19.8%

This category is projected to increase by 18.7% over the prior year to \$13,581,920 in FY2023-2024. Reimbursements include the transfer of funds from Capital Improvement Program (CIP) projects to offset administration charged to the General Fund. This amount fluctuates each year, as CIP activity varies. Measure Z funds also increased from the prior year.

## License, Permits & Fees: 14%

**Building Permits:** These charges comprise building permit activities within the City. This category is projected to increase \$45,700 from the prior year.

**Fees:** These charges are projected to increase 3.76% from \$5,776,980 to \$5,993,910 in FY2023-2024.

**License and Permits and Other:** Projected to be \$2,388,390 for FY2023-2024

## Special Assessments: 10.2%

Fees or service charges are imposed on the user for a service type for operating activities and does not result in the purchase or construction of fixed assets. In FY2023-2024, Special Assessment revenue is projected to increase \$378,130 from an estimated \$6,611,230 in FY2022-2023 to \$6,989,360 in FY2023-2024.

## Intergovernmental: .3%

Intergovernmental revenues include grants and other sources of revenue from governmental agencies. Major intergovernmental revenues include Motor Vehicle in Lieu and the Motor Vehicle in Lieu Triple Flip, FEMA Grants, Lake Grants, and Homeless Grants. The estimated intergovernmental revenue for FY2023-2024 increased by \$70,040.



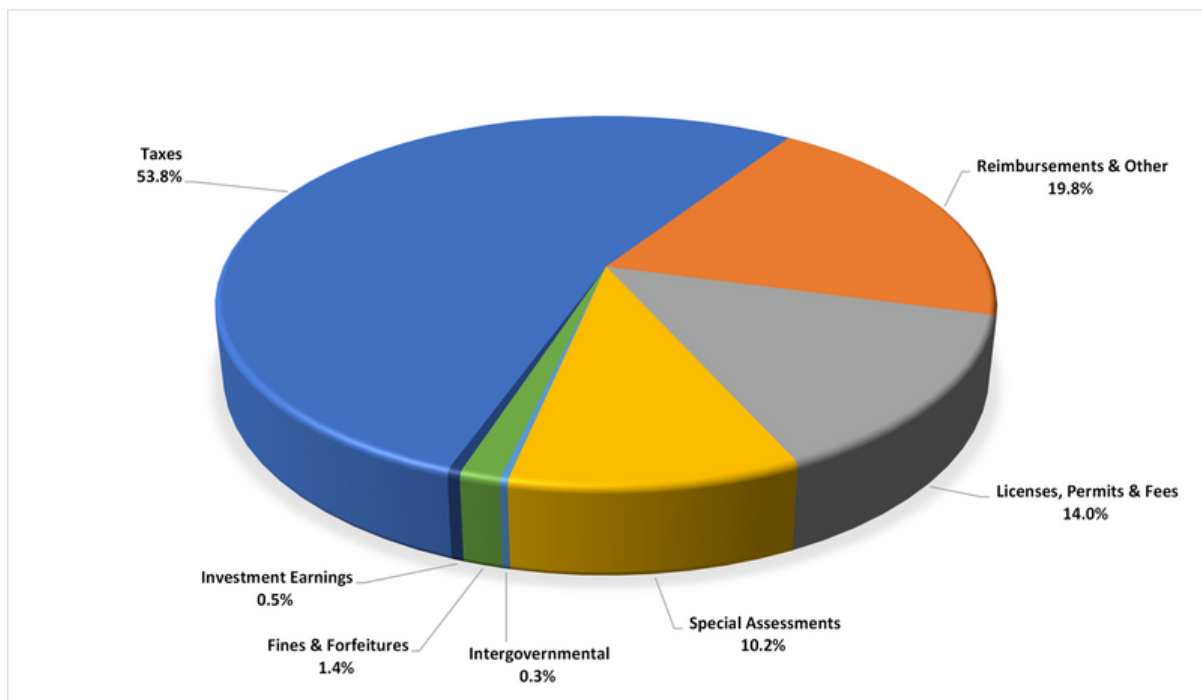
### Fines & Forfeitures: 1.4%

The City Vehicle and Penal Codes impose fines and penalties for traffic violations and vehicular parking. These revenues are collected by Riverside County through the County court system and a portion is distributed to the City, less an administrative fee. The City has the responsibility for administering and collecting parking citation fines. In FY2023-2024 \$987,050, an increase of \$289,030 from the prior year.

### Investment Earnings: .5%

The City pools its available cash from various funds and invests in instruments allowed in the City's investment policy approved by City Council. Earnings are allocated to various funds on the basis of proportionate cash balances. Projected investment earnings for FY2023-2024 are increased by \$103,300 or 50% from the prior fiscal year.

## Major Revenue Sources for FY 2023 - 2024





## Expenditures Summary by Department - General Fund

	SALARIES & BENEFITS	OPERATIONS & MAINTENANCE	DEBT SERVICE	CHARGES FOR SERVICES	TOTAL
<b>General Government</b>					
City Council	\$ 119,170	\$ 95,060	\$ -	\$ 103,140	<b>\$ 317,370</b>
Community Support	405,970	94,800	-	122,920	<b>623,690</b>
City Clerk	582,480	148,740	-	169,880	<b>901,100</b>
City Attorney	-	660,000	-	15,610	<b>675,610</b>
City Manager	936,860	12,850	-	125,990	<b>1,075,700</b>
<b>Total General Government</b>	<b>2,044,480</b>	<b>1,011,450</b>	<b>-</b>	<b>537,540</b>	<b>3,593,470</b>
<b>Administrative Services</b>					
Finance	1,268,260	194,010	-	244,160	<b>1,706,430</b>
Human Resources	476,440	172,070	-	76,710	<b>725,220</b>
<b>Total Administrative Services</b>	<b>1,744,700</b>	<b>366,080</b>	<b>-</b>	<b>320,870</b>	<b>2,431,650</b>
<b>Public Safety</b>					
Police Services	-	18,434,220	-	218,000	<b>18,652,220</b>
Fire Services	-	10,940,460	-	63,790	<b>11,004,250</b>
Fire Prevention	-	658,530	-	187,500	<b>846,030</b>
Animal Services	-	785,000	-	202,500	<b>987,500</b>
Emergency Services	271,760	90,650	-	60,040	<b>422,450</b>
<b>Total Public Safety</b>	<b>271,760</b>	<b>30,908,860</b>	<b>-</b>	<b>731,830</b>	<b>31,912,450</b>
<b>Community Development</b>					
Planning & Zoning	2,088,210	391,360	-	331,890	<b>2,811,460</b>
Building & Safety	1,189,920	203,850	-	352,590	<b>1,746,360</b>
Code Enforcement	1,208,690	516,000	-	451,720	<b>2,176,410</b>
Economic Development	282,050	338,330	-	23,790	<b>644,170</b>
<b>Total Community Development</b>	<b>4,768,870</b>	<b>1,449,540</b>	<b>-</b>	<b>1,159,990</b>	<b>7,378,400</b>
<b>Public Services</b>					
Engineering	2,162,160	1,394,790	-	393,470	<b>3,950,420</b>
Public Works - Administration	2,892,490	342,600	-	2,022,560	<b>5,257,650</b>
Park Maintenance	1,634,330	2,427,180	-	-	<b>4,061,510</b>
Lake Maintenance	334,620	1,036,900	-	-	<b>1,371,520</b>
<b>Total Public Services</b>	<b>7,023,600</b>	<b>5,201,470</b>	<b>-</b>	<b>2,416,030</b>	<b>14,641,100</b>
<b>Community Services</b>					
Recreation	1,227,770	385,000	-	269,460	<b>1,882,230</b>
Community Center	582,580	340,980	-	190,180	<b>1,113,740</b>
Senior Center	425,650	47,820	-	352,160	<b>825,630</b>
Neighborhood Center	688,670	132,800	-	215,380	<b>1,036,850</b>
<b>Total Community Services</b>	<b>2,924,670</b>	<b>906,600</b>	<b>-</b>	<b>1,027,180</b>	<b>4,858,450</b>
<b>Non-Departmental</b>					
Non-Departmental	-	882,000	2,561,400	-	<b>3,443,400</b>
<b>Total Non-Departmental</b>	<b>-</b>	<b>882,000</b>	<b>2,561,400</b>	<b>-</b>	<b>3,443,400</b>
<b>Total Expenditures By Department</b>	<b>\$ 18,778,080</b>	<b>\$ 40,726,000</b>	<b>\$ 2,561,400</b>	<b>\$ 6,193,440</b>	<b>\$ 68,258,920</b>

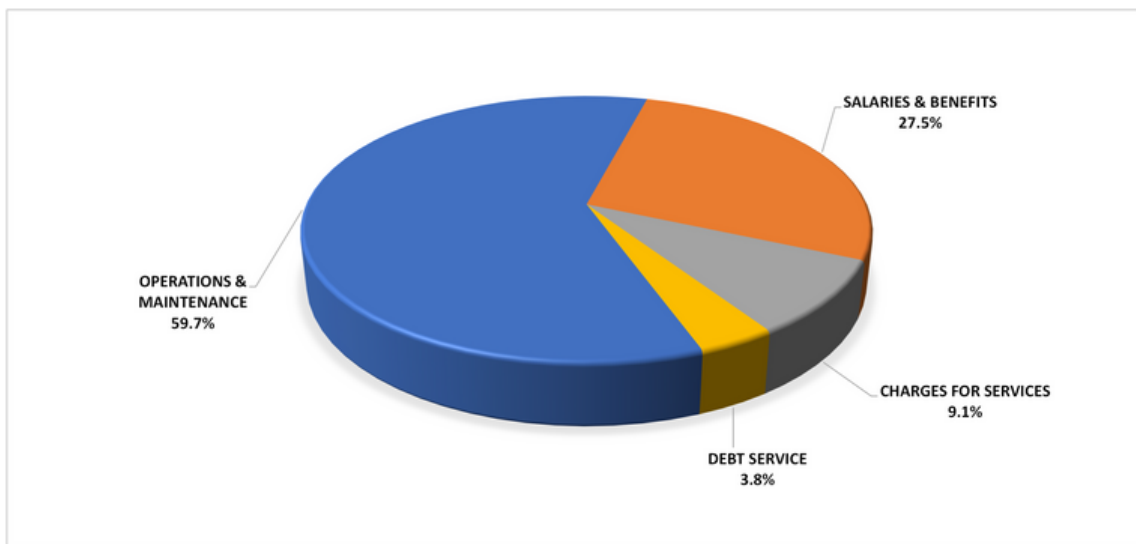


The General Fund is the main operating fund for the City of Lake Elsinore. It is used to account for all financial resources for the city that are not restricted to a special purpose and otherwise required to be accounted for in another fund. The General Fund provides the resources necessary to sustain the day-to-day activities and pays for all administrative and operating expenses.

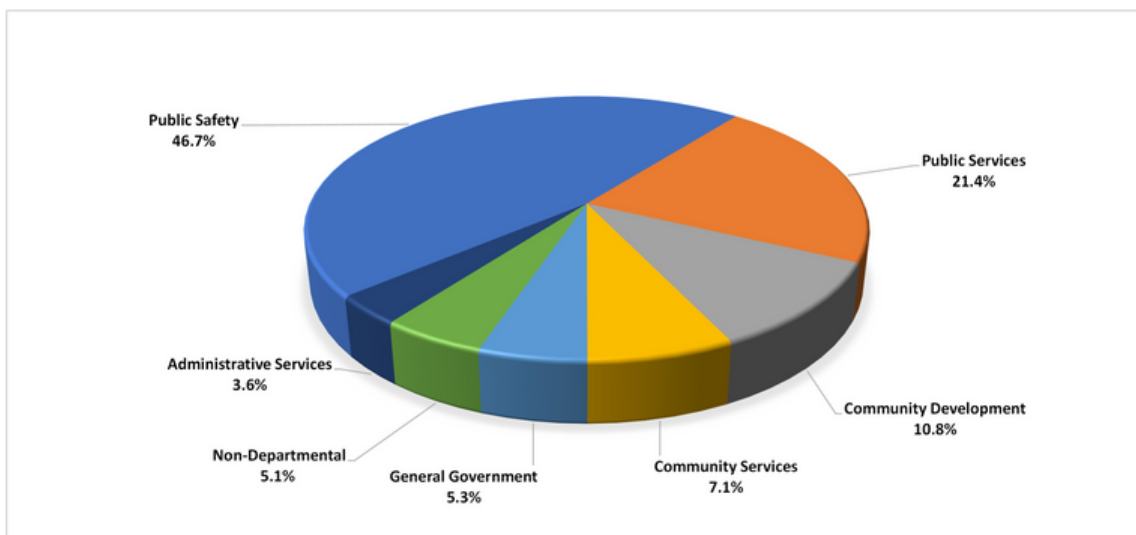
The proposed budget of \$68,258,920 million reflects an increase in General Fund expenditures of \$4,763,820 or 7.50 % from the fiscal year 2022-23 projected budget.

The City has continued to focus on reorganizing department structures to streamline processes and enhance efficiencies without reducing essential public services to the community. The following is a summary of important items by the department in the proposed Annual Operating Budget for the Fiscal Year 2023-2024.

## Percentage of Expenditures by Expense Type



## Percentage of Expenditures by Department



## Summary of Revenues, Expenditures, and Changes in Fund Balance - General Fund

	FY20-21 ACTUALS	FY21-22 ACTUALS	FY22-23 ADOPTED BUDGET	FY23-24 PROPOSED BUDGET	\$Inc/(Dec)	% Inc/ (Dec)
<b>Revenues:</b>						
Sales Tax	\$ 14,600,212	\$ 16,445,263	\$ 16,341,290	\$ 17,543,480	\$ 1,202,190	7.36%
Property Tax	9,138,141	9,606,584	10,597,268	11,144,290	547,022	5.16%
Franchise Tax	2,747,871	2,901,961	3,310,290	2,797,910	(512,380)	-15.48%
Building Permit Fee	1,418,700	1,511,782	1,244,970	1,219,970	(25,000)	-2.01%
Property Transfer Tax	539,505	621,757	502,530	517,610	15,080	3.00%
Other Taxes	565,362	779,621	702,450	570,840	(131,610)	-18.74%
Licenses & Permits	2,306,772	1,711,503	3,124,413	2,388,390	(736,023)	-23.56%
Intergovernmental	137,041	181,362	331,750	193,490	(138,260)	-41.68%
Fees	3,200,084	5,408,860	5,924,733	5,993,910	69,177	1.17%
Fines & Forfeitures	329,355	881,791	972,200	987,050	14,850	1.53%
Tax Credit	3,381,748	3,722,847	3,913,120	4,248,380	335,260	8.57%
Investment Earnings	63,422	(619,754)	696,437	311,000	(385,437)	-55.34%
Reimbursements & Other	5,152,693	7,663,323	10,649,601	12,064,860	1,415,259	13.29%
Special Assessments	5,073,085	5,659,438	6,104,458	6,989,360	884,902	14.50%
Reimbursements - Public Safety	365,853	391,966	502,000	517,060	15,060	3.00%
Reimbursements - Street Program	-	800,000	800,000	1,000,000	200,000	25.00%
<b>Total Revenues</b>	<b>49,019,845</b>	<b>57,668,304</b>	<b>65,717,510</b>	<b>68,487,600</b>	<b>2,770,090</b>	<b>4.22%</b>

### Expenditures by Department:

#### General Government:

City Council	\$ 205,646	\$ 240,045	\$ 312,760	\$ 317,370	\$ 4,610	1.47%
Community Support	115,003	564,015	493,260	623,690	130,430	26.44%
City Treasurer	-	-	-	-	-	0.00%
City Clerk	557,262	703,549	834,760	901,100	66,340	7.95%
City Attorney	622,112	667,277	638,250	676,210	37,960	5.95%
City Manager	1,123,909	862,325	1,334,640	1,303,780	(30,860)	-2.31%
<i>Administrative Services</i>					-	0.00%
Finance	1,472,155	1,304,991	1,657,780	1,706,430	48,650	2.93%
Human Resources	493,775	540,819	696,270	725,220	28,950	4.16%

#### Public Safety:

Police Services	14,006,496	15,876,391	17,942,570	18,652,220	709,650	3.96%
Fire Services	7,050,640	8,015,325	10,311,650	11,004,250	692,600	6.72%
Fire Prevention	411,130	496,565	859,350	846,030	(13,320)	-1.55%
Animal Services	761,875	814,818	905,010	987,500	82,490	9.11%
Emergency Services	-	-	-	422,450	422,450	0.00%

#### Community Development:

Planning	1,042,750	1,328,697	2,985,280	2,811,460	(173,820)	-5.82%
Building & Safety	1,559,190	1,486,756	1,864,680	1,746,360	(118,320)	-6.35%
Code Enforcement	1,335,384	1,501,144	1,997,970	2,176,410	178,440	8.93%
Economic Development	244,263	334,526	483,130	644,170	161,040	33.33%

#### Public Services:

Engineering	1,978,012	2,925,212	4,358,980	3,950,420	(408,560)	-9.37%
Public Works	2,811,501	3,826,191	5,120,260	5,257,650	137,390	2.68%
Park Maintenance	2,637,033	2,941,158	3,650,350	4,061,510	411,160	11.26%
Lake Maintenance	1,133,391	1,203,235	1,364,500	1,371,520	7,020	0.51%



**Community Services:**

Recreation	773,057	1,150,638	1,622,320	1,882,230	259,910	16.02%
Community Center	610,843	767,923	1,176,700	1,113,740	(62,960)	-5.35%
Senior Center	391,965	492,561	754,470	825,630	71,160	9.43%
Neighborhood Center	229,275	484,300	892,190	1,036,850	144,660	16.21%
<b>Non-Departmental - Operating</b>	<b>4,765,123</b>	<b>5,497,813</b>	<b>3,480,910</b>	<b>3,443,400</b>	<b>(37,510)</b>	<b>-1.08%</b>
<b>Total Expenditures</b>	<b><u>46,331,790</u></b>	<b><u>54,026,274</u></b>	<b><u>65,738,040</u></b>	<b><u>68,487,600</u></b>	<b><u>2,749,560</u></b>	<b><u>4.18%</u></b>

Excess of Revenues Over (Under)

Expenditures 2,688,055 3,642,030 (20,530) - 20,530

**Operating Transfers:**

Operating Transfers In	-	-	-	-	-
Operating Transfers out	-	-	-	-	-

Excess of Revenues Over (Under)

Expenditures & Op Transfers In/(Out) 2,688,055 3,642,030 (20,530) - 20,530**Estimated Year-End Adjustments**

Fund Balance, Beg. of Year 11,015,624 13,703,679 17,345,709 17,325,179

Fund Balance, End of Year \$ 13,703,679 \$ 17,345,709 \$ 17,325,179 \$ 17,325,179**Detail of Fund Balance****Nonspendable:**

Deposits and prepaid items	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Loans Receivable	1,000,000	1,000,000	1,000,000	1,000,000

**Assigned**

Uncertainty reserve (20%) 8,108,063 10,805,255 13,147,608 13,697,520

**Unassigned**

Unallocated reserve 4,570,616 5,515,455 3,152,571 2,602,659

**Total Fund Balance (net)** **\$ 13,703,679** **\$ 17,345,709** **\$ 17,325,179** **\$ 17,325,179**

## Summary of Revenues, Expenditures, and Changes in Fund Balance - Special Revenue Funds

	FY 20-21 ACTUALS	FY 21-22 ACTUALS	FY 22-23 ADOPTED BUDGET	FY23-24 PROPOSED BUDGET	\$ Inc/ (Dec)	% Inc/ (Dec)
<b>Revenues:</b>						
S.L.E.S.F.	\$ 156,726	\$ 161,285	\$ 157,000	\$ 177,000	\$ 20,000	12.74%
Measure Z	3,468,638	16,193,138	15,814,460	16,470,000	655,540	4.15%
The Anchor	337,214	1,006,383	1,261,310	1,210,480	(50,830)	-4.03%
Traffic Offender	26,000	21,153	21,000	30,000	9,000	42.86%
Affordable Housing In-Lieu	707,921	353,925	403,100	111,000	(292,100)	-72.46%
Developer Agreement	85,118	144,484	70,767	25,200	(45,567)	-64.39%
American Rescue Plan	-	4,951,929	10,065,257	-	(10,065,257)	-100.00%
Road Maintenance & Rehabilitation	1,164,909	1,304,990	1,436,698	1,772,440	335,742	23.37%
Gas Tax	1,394,895	1,527,961	1,808,502	2,051,900	243,398	13.46%
Measure A	1,785,133	2,133,065	2,024,100	2,299,000	274,900	13.58%
SB821	246,007	245,521	463,766	463,766	-	n/a
SB1186	11,778	10,650	12,600	13,000	400	3.17%
Traffic Safety	196,501	196,154	173,130	175,000	1,870	1.08%
Citywide L.L.M.D.	2,648,205	5,160,703	1,647,640	2,174,187	526,547	31.96%
L.L.M.D. No. 1	715,103	738,109	787,939	791,059	3,120	0.40%
Geothermal	50	(344)	215	300	85	39.53%
C.D.B.G.	94,573	393,208	906,059	1,042,020	135,961	15.01%
N.P.D.E.S.	649,137	116,034	1,229,255	1,098,170	(131,085)	-10.66%
P.E.G.	13,948	16,935	23,869	20,231	(3,638)	-15.24%
AB2766	84,861	52,021	82,100	72,100	(10,000)	-12.18%
Low/Moderate Housing	5,672,807	8,835,831	7,077,550	7,699,835	622,285	8.79%
<b>Total Revenues</b>	<b>19,459,525</b>	<b>43,563,134</b>	<b>45,466,317</b>	<b>37,696,688</b>	<b>(7,769,629)</b>	<b>-17.09%</b>
<b>Expenditures:</b>						
S.L.E.S.F.	\$ 156,726	\$ 161,285	\$ 157,000	\$ 177,000	\$ 20,000	12.74%
Measure Z	1,058	6,071,288	22,578,493	30,776,699	8,198,206	36.31%
The Anchor	98,883	1,244,715	1,261,310	1,210,480	(50,830)	-4.03%
Traffic Offender	26,000	21,153	21,000	30,000	9,000	42.86%
Affordable Housing In-Lieu	1,345,420	52,174	4,293,228	4,372,728	79,500	1.85%
Developer Agreement	19,764	85,180	130,170	25,200	(104,970)	-80.64%
American Rescue Plan	-	4,951,929	9,405,480	5,959,900	(3,445,580)	-36.63%
Road Maintenance & Rehabilitation	-	1,121,567	2,177,054	2,019,740	(157,314)	-7.23%
Gas Tax	1,392,141	1,272,121	2,020,979	2,272,620	251,641	12.45%
Measure A	-	1,819,784	3,380,824	2,643,950	(736,874)	-21.80%
SB821	-	250,810	463,766	463,766	-	n/a
SB1186	1,686	1,719	2,100	2,100	-	n/a
Traffic Safety	183,126	209,528	186,505	175,000	(11,505)	-6.17%
Citywide L.L.M.D.	2,196,295	5,689,124	1,751,728	2,174,187	422,459	24.12%
L.L.M.D. No. 1	1,584,034	369,676	767,780	1,141,822	374,042	48.72%
Geothermal	-	-	13,690	14,020	330	2.41%
C.D.B.G.	20,812	727,149	906,179	1,042,020	135,841	14.99%
N.P.D.E.S.	569,804	381,137	1,229,255	1,098,170	(131,085)	-10.66%
P.E.G.	293	-	92,076	104,670	12,594	13.68%
AB2766	-	357,443	274,049	274,049	-	n/a



Low/Moderate Housing	1,029,552	1,268,783	1,050,000	1,050,000	-	n/a
<b>Total Expenditures</b>	<b>8,625,592</b>	<b>26,056,565</b>	<b>52,162,666</b>	<b>57,028,121</b>	<b>4,865,455</b>	<b>9.33%</b>

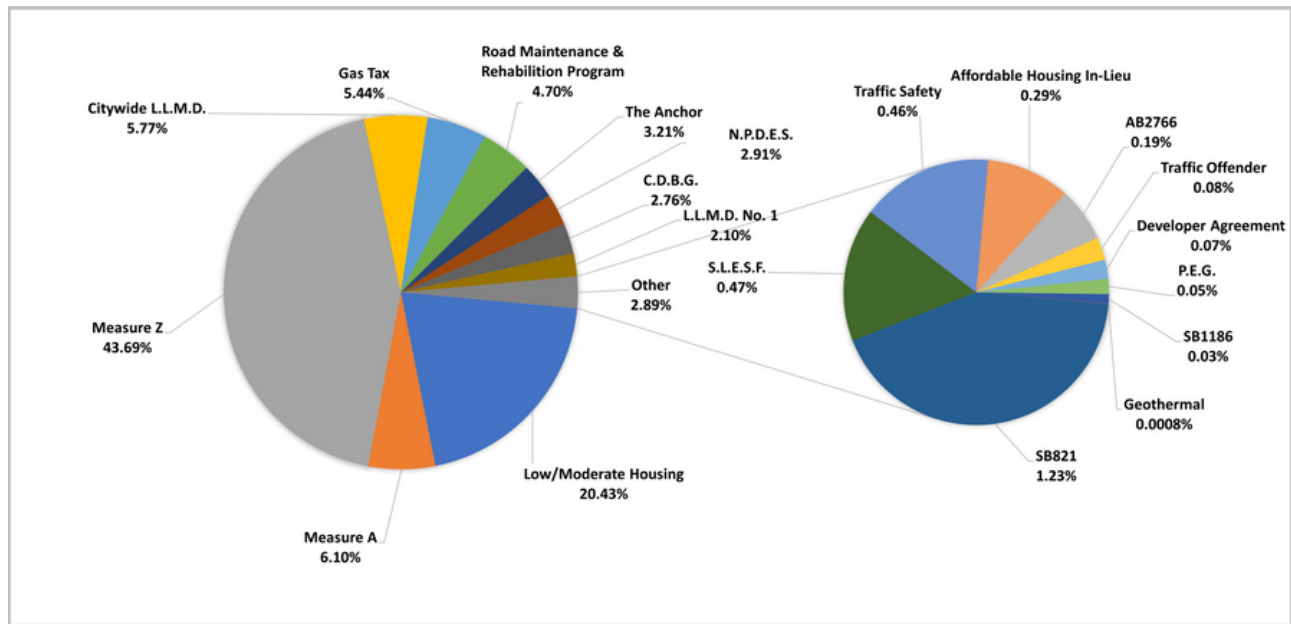
Excess of Revenues Over (Under)						
Expenditures	10,833,932	17,506,570	(6,696,349)	(19,331,433)	(2,904,174)	-26.81%

#### Operating Transfers:

Operating Transfers In	6,701,625	4,065	-	-	-	n/a
Operating Transfers Out	(127,342)	(24)	-	-	-	n/a
	6,574,283	4,041	-	-	-	n/a

Excess of Revenues Over (Under)						
Expenditures & Op Transfers						
In/(Out)	17,408,215	17,510,610	(6,696,349)	(19,331,433)	\$ (2,904,174)	

Fund Balance, Beg. of Year	45,396,559	62,804,774	80,315,384	73,619,035		
<b>Fund Balance, End of Year</b>	<b>\$ 62,804,774</b>	<b>\$ 80,315,384</b>	<b>\$ 73,619,035</b>	<b>\$ 54,287,602</b>		



## Summary of Revenues, Expenditures, and Changes in Fund Balance - Debt Service Funds

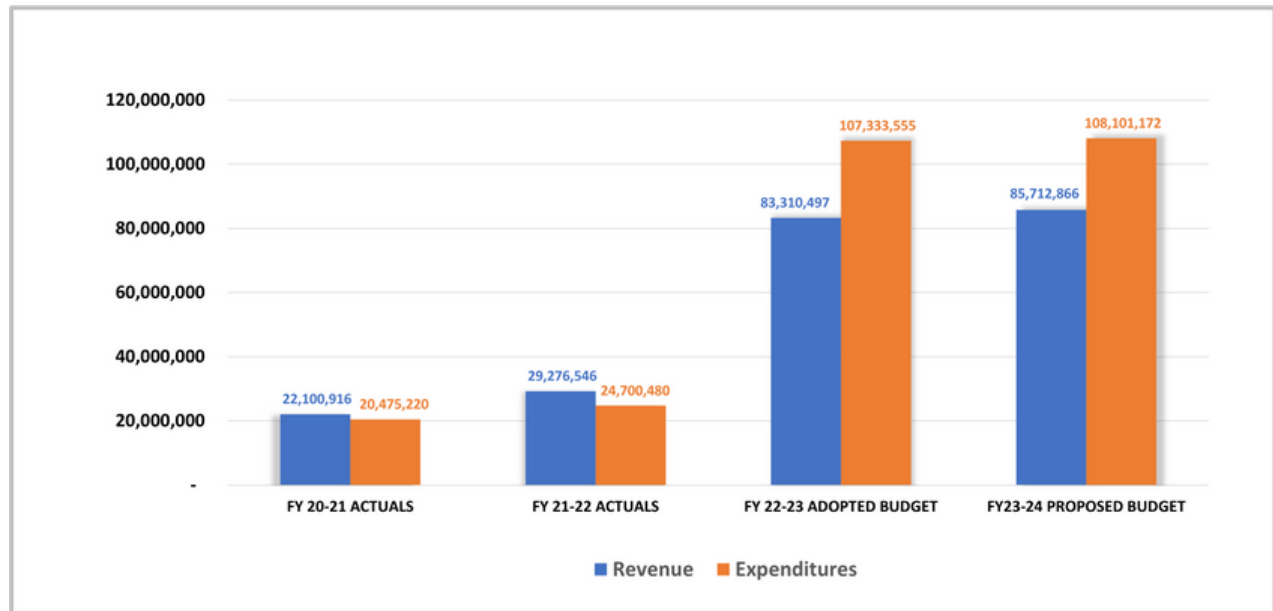
	FY 20-21 ACTUALS	FY 21-22 ACTUALS	FY22-23 ADOPTED BUDGET	FY23-24 PROPOSED BUDGET	\$ Inc/ (Dec)	% Inc/ (Dec)
<b>Revenues:</b>						
2014 Revenue Bonds Series B	\$ 739,207	\$ 675,623	\$ 700,000	\$ 700,000	\$ -	n/a
2015 Revenue Bonds Series	3,884,044	3,763,624	4,843,410	4,000,000	(843,410)	-17.41%
2015 Revenue Bonds Series A	116,607	-	100,000	-	(100,000)	n/a
2017 Revenue Bonds Series	170,537	167,787	219,990	200,000	(19,990)	-9.09%
2021 Revenue Bonds Series	35,553,979	595,734	1,035,260	650,000	(385,260)	-37.21%
2021 Revenue Bonds Series B	-	11,030,935	650,000	605,000	(45,000)	-6.92%
2020 Tax Reserve Bond Series A	80,364	268,134	500,000	500,000	-	n/a
2013 Lease Revenue Bonds	1,129,068	213,693	-	-	-	n/a
2016 Lease Revenue Bonds Series A	306,196	302,398	561,563	853,025	291,462	51.90%
2021 Lease Revenue Bonds Series A	-	11,330,018	1,063,731	1,062,776	(955)	-0.09%
2022 Lease Revenue Bonds Series A	-	24,671,194	2,213,693	2,213,693	-	n/a
<b>Total Revenues</b>	<b>41,980,000</b>	<b>53,019,138</b>	<b>11,887,647</b>	<b>10,784,494</b>	<b>(1,103,153)</b>	<b>-9.28%</b>
<b>Expenditures:</b>						
2014 Revenue Bonds Series B	1,263,663	1,283,688	1,308,570	1,316,063	\$ 7,493	0.57%
2015 Revenue Bonds Series	6,765,691	6,805,274	6,924,210	7,060,349	136,139	1.97%
2015 Revenue Bonds Series A	148,519	2,754,255	156,390	-	(156,390)	-100.00%
2017 Revenue Bonds Series	290,544	292,794	290,011	291,963	1,952	0.67%
2021 Revenue Bonds Series	552,154	1,941,684	2,203,960	2,213,001	9,041	0.41%
2021 Revenue Bonds Series B	-	599,922	605,000	554,100	(50,900)	-8.41%
2010 Tax Revenue Bonds Series C	350	-	-	-	-	n/a
2020 Tax Reserve Bond Series A	359,814	531,448	520,000	1,030,000	510,000	98.08%
2013 Lease Revenue Bonds	1,150,472	304,539	-	-	-	n/a
2016 Lease Revenue Bonds Series A	563,840	560,015	624,631	853,025	228,394	36.56%
2021 Lease Revenue Bonds Series A	-	11,321,674	1,072,075	1,062,776	(9,299)	-0.87%
2022 Lease Revenue Bonds Series A	-	339,849	1,563,358	1,563,358	-	n/a
<b>Total Expenditures</b>	<b>11,095,046</b>	<b>26,735,139</b>	<b>15,268,205</b>	<b>15,944,635</b>	<b>676,430</b>	<b>4.43%</b>
Excess of Revenues Over (Under) Expenditures	30,884,954	26,283,999	(3,380,558)	(5,160,141)	(1,779,583)	52.64%
<b>Operating Transfers:</b>						
Operating Transfers In	-	-	-	-	-	n/a
Operating Transfers Out	-	-	-	-	-	n/a
	-	-	-	-	-	n/a
Excess of Revenues Over (Under) Expenditures	30,884,954	26,283,999	(3,380,558)	(5,160,141)	<u>\$ (1,779,583)</u>	
Fund Balance, Beg. of Year	146,650,248	177,535,202	203,819,201	200,438,643		
<b>Fund Balance, End of Year</b>	<b>\$ 177,535,202</b>	<b>\$ 203,819,201</b>	<b>\$ 200,438,643</b>	<b>\$ 195,278,502</b>		



## Summary of Revenues, Expenditures, and Changes in Fund Balance - Capital Project Funds

	FY 20-21 ACTUALS	FY 21-22 ACTUALS	FY 22-23 ADOPTED BUDGET	FY23-24 PROPOSED BUDGET	\$ Inc/ (Dec)	% Inc/ (Dec)
<b>Revenues:</b>						
Miscellaneous General Projects	\$ 1,185,675	\$ 2,342	\$ -	\$ -	\$ -	n/a
T.U.M.F.	1,221,774	(4,065)	6,500,000	7,100,000	600,000	9.23%
City Hall/Public Works D.I.F.	86,616	201,101	76,100	50,600	(25,500)	-33.51%
Community Center D.I.F.	59,453	134,111	50,500	50,500	-	n/a
Lake Facilities D.I.F.	58,191	191,359	76,100	60,600	(15,500)	-20.37%
Animal Shelter D.I.F.	25,724	85,324	25,200	25,200	-	n/a
T.R.I.P.	360	499,561	501,370	494,990	(6,380)	-1.27%
La Strada RBBD	98	(702)	430	110	(320)	-74.42%
ELSP - Summerly Traffic Infrastructure	625,385	(86,223)	60,100	10,100	(50,000)	-83.19%
Traffic Impact	520,325	433,901	387,968	401,100	13,132	3.38%
Storm Drains	1,027,046	2,029,708	465,100	265,000	(200,100)	-43.02%
Quimby	216,506	431,528	126,100	51,100	(75,000)	-59.48%
Library D.I.F.	57,691	15,631	46,300	25,100	(21,200)	-45.79%
Fire D.I. F.	103,671	205,152	92,100	61,100	(31,000)	-33.66%
Capital Improvement Plan	13,120,855	24,023,223	71,859,119	74,805,496	2,946,377	4.10%
Diamond Stadium	2,812,289	1,049,054	2,958,910	2,295,870	(663,040)	-22.41%
Public Improvement In-Lieu	979,257	65,541	85,100	16,000	(69,100)	-81.20%
<b>Total Revenues</b>	<b>22,100,916</b>	<b>29,276,546</b>	<b>83,310,497</b>	<b>85,712,866</b>	<b>2,402,369</b>	<b>2.88%</b>
<b>Expenditures:</b>						
Miscellaneous General Projects	\$ 1,062,852	\$ 26,565	\$ 170,780	\$ 110,989	\$ (59,791)	-35.01%
T.U.M.F.	-	272,890	6,500,000	7,100,000	600,000	9.23%
City Hall/Public Works D.I.F.	-	22,556	254,645	50,600	(204,045)	-80.13%
Community Center D.I.F.	-	19,137	165,474	215,970	50,496	30.52%
Lake Facilities D.I.F.	-	-	281,369	326,970	45,601	16.21%
Animal Shelter D.I.F.	25,580	85,184	25,367	25,200	(167)	-0.66%
T.R.I.P.	498,916	498,878	508,880	494,990	(13,890)	-2.73%
La Strada RBBD	-	-	23,721	23,831	110	0.46%
ELSP - Summerly Traffic Infrastructure	-	-	3,386,138	3,346,240	(39,898)	-1.18%
Traffic Impact	-	777,976	586,000	423,460	(162,540)	-27.74%
Storm Drains	-	599,409	2,016,763	3,312,190	1,295,427	64.23%
Quimby	-	860,401	379,529	51,100	(328,429)	-86.54%
Library D.I.F.	38,274	-	1,341,159	1,362,460	21,301	1.59%
Fire D.I. F.	-	-	583,056	644,160	61,104	10.48%
Capital Improvement Plan	17,432,632	19,757,228	84,673,430	85,446,639	773,209	0.91%
Diamond Stadium	1,416,967	1,780,256	4,698,920	3,474,526	(1,224,394)	-26.06%
Public Improvement In-Lieu	-	-	1,738,324	1,691,847	(46,477)	-2.67%
<b>Total Expenditures</b>	<b>20,475,220</b>	<b>24,700,480</b>	<b>107,333,555</b>	<b>108,101,172</b>	<b>767,617</b>	<b>0.72%</b>
Excess of Revenues Over (Under)						
Expenditures	1,625,696	4,576,066	(24,023,058)	(22,388,306)	3,169,986	-13.20%
<b>Operating Transfers:</b>						
Operating Transfers In	7,319,882	4,090	-	-	-	n/a
Operating Transfers Out	(4,707,757)	-	-	-	-	n/a

	<u>2,612,125</u>	<u>4,090</u>	<u>-</u>	<u>-</u>	<u>-</u>	n/a
Excess of Revenues Over (Under)						
Expenditures	4,237,821	4,580,156	(24,023,058)	(22,388,306)	<u>\$ 3,169,986</u>	
Fund Balance, Beg. of Year	15,534,925	19,772,746	24,352,902	329,844		
<b>Fund Balance, End of Year</b>	<b><u>\$ 19,772,746</u></b>	<b><u>\$ 24,352,902</u></b>	<b><u>\$ 329,844</u></b>	<b><u>\$ (22,058,462)</u></b>		



## Summary of Revenues, Expenditures, and Changes in Fund Balance - Internal Service Funds

	FY 20-21 ACTUALS	FY 21-22 ACTUALS	FY 22-23 ADOPTED BUDGET	FY23-24 PROPOSED BUDGET	\$ Inc/ (Dec)	% Inc/ (Dec)
<b>Revenues:</b>						
Insurance Services	\$ 955,153	\$ 816,699	\$ 1,072,600	\$ 841,440	\$ (231,160)	-21.55%
Information Systems Services	2,171,409	2,855,856	1,925,930	2,443,220	517,290	26.86%
Support Services	106,930	110,800	119,590	119,590	-	n/a
Fleet Services	2,485,133	1,581,440	2,011,570	1,881,720	(129,850)	-6.46%
Facilities Services	544,330	2,589,313	1,009,820	1,017,880	8,060	0.80%
<b>Total Revenues</b>	<b>6,262,955</b>	<b>7,954,108</b>	<b>6,139,510</b>	<b>6,303,850</b>	<b>164,340</b>	<b>2.68%</b>
<b>Expenditures:</b>						
Insurance Services	\$ 974,648	\$ 782,077	\$ 1,151,720	\$ 956,457	\$ (195,263)	-16.95%
Information Systems Services	1,860,398	1,127,700	2,105,940	2,518,470	412,530	19.59%
Support Services	97,208	101,928	108,720	108,720	-	n/a
Fleet Services	1,134,901	880,973	1,828,700	1,834,035	5,335	0.29%
Facilities Services	872,361	706,305	1,043,000	1,050,310	7,310	0.70%
<b>Total Expenditures</b>	<b>4,939,516</b>	<b>3,598,984</b>	<b>6,238,080</b>	<b>6,467,992</b>	<b>229,912</b>	<b>3.69%</b>
Excess of Revenues Over (Under) Expenditures	1,323,440	4,355,124	(98,570)	(164,142)	394,252	9.05%
<b>Operating Transfers:</b>						
Operating Transfers In	-	-	-	-	-	n/a
Operating Transfers Out	-	-	-	-	-	n/a
	-	-	-	-	-	n/a
Excess of Revenues Over (Under) Expenditures	1,323,440	4,355,124	(98,570)	(164,142)	<u>\$ 394,252</u>	
Fund Balance, Beg. of Year	1,479,511	2,802,951	7,158,075	7,059,505		
<b>Fund Balance, End of Year</b>	<b>\$ 2,802,951</b>	<b>\$ 7,158,075</b>	<b>\$ 7,059,505</b>	<b>\$ 6,895,363</b>		



## Summary of Revenues, Expenditures, and Changes in Fund Balance - Successor Agency Funds

	FY 20-21 ACTUALS	FY 21-22 ACTUALS	FY 22-23 ADOPTED BUDGET	FY23-24 PROPOSED BUDGET	\$ Inc/ (Dec)	% Inc/ (Dec)
<b>Revenues:</b>						
SARDA	\$ 12,260,546	\$ 16,687,568	\$ 24,862,210	\$ 22,200,464	\$ (2,661,746)	-10.71%
<b>Total Revenues</b>	<b>12,260,546</b>	<b>16,687,568</b>	<b>24,862,210</b>	<b>22,200,464</b>	<b>(2,661,746)</b>	<b>-10.71%</b>
<b>Expenditures:</b>						
SARDA	\$ 17,072,529	\$ 11,946,417	\$ 9,636,180	\$ 10,336,180	\$ 700,000	7.26%
<b>Total Expenditures</b>	<b>17,072,529</b>	<b>11,946,417</b>	<b>9,636,180</b>	<b>10,336,180</b>	<b>700,000</b>	<b>7.26%</b>
Excess of Revenues Over (Under) Expenditures	(4,811,983)	4,741,152	15,226,030	11,864,284	(1,961,746)	-41.38%
<b>Operating Transfers:</b>						
Operating Transfers In	-	-	-	-	-	n/a
Operating Transfers Out	-	-	-	-	-	n/a
	-	-	-	-	-	n/a
Excess of Revenues Over (Under) Expenditures	(4,811,983)	4,741,152	15,226,030	11,864,284	<u>\$ (1,961,746)</u>	
Fund Balance, Beg. of Year	(34,962,585)	(39,774,568)	(35,033,416)	(19,807,386)		
<b>Fund Balance, End of Year</b>	<b><u>\$ (39,774,568)</u></b>	<b><u>\$ (35,033,416)</u></b>	<b><u>\$ (19,807,386)</u></b>	<b><u>\$ (7,943,102)</u></b>		

## Summary of Revenues, Expenditures, and Changes in Fund Balance - Launch Pointe

	FY 20-21 ACTUALS	FY 21-22 ACTUALS	FY 22-23 ADOPTED BUDGET	FY23-24 PROPOSED BUDGET	\$ Inc/ (Dec)	% Inc/ (Dec)
<b>Revenues:</b>						
Launch Pointe	\$ 4,397,192	\$ 5,433,092	\$ 5,107,000	\$ 5,087,000	\$ (20,000)	-0.39%
<b>Total Revenues</b>	<b>4,397,192</b>	<b>5,433,092</b>	<b>5,107,000</b>	<b>5,087,000</b>	<b>(20,000)</b>	<b>-0.39%</b>
<b>Expenditures:</b>						
Launch Pointe	\$ 3,967,465	\$ 6,171,047	\$ 5,069,180	\$ 5,898,193	\$ 829,013	16.35%
<b>Total Expenditures</b>	<b>3,967,465</b>	<b>6,171,047</b>	<b>5,069,180</b>	<b>5,898,193</b>	<b>829,013</b>	<b>16.35%</b>
Excess of Revenues Over (Under) Expenditures	429,728	(737,956)	37,820	(811,193)	809,013	-109.63%
<b>Operating Transfers:</b>						
Operating Transfers In	-	-	-	-	-	n/a
Operating Transfers Out	-	-	-	-	-	n/a
	-	-	-	-	-	n/a
Excess of Revenues Over (Under) Expenditures	429,728	(737,956)	37,820	(811,193)	<u>\$ 809,013</u>	
Fund Balance, Beg. of Year	15,850,798	16,280,526	15,542,570	15,580,390		
<b>Fund Balance, End of Year</b>	<b>\$ 16,280,526</b>	<b>\$ 15,542,570</b>	<b>\$ 15,580,390</b>	<b>\$ 14,769,197</b>		



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# DEPARTMENT INFORMATION

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# Summary of Changes in Authorized Positions, Personnel and Benefit Costs

The City continues to restructure the organization to ensure core staffing, internally and externally, is in place to meet current and future economic opportunities, while also providing the highest level of service. The total authorized positions for FY2023-2024 are 202, 16 of which are City Council members, City Planning Commissioners, Public Safety Advisory Commissioners, and Treasurer. The City maintains 134 regular full-time equivalent positions (of which 16 positions are unfunded), and 52 part-time positions.

Overall, there are 2 new positions included in this budget to be added to the schedule of authorized positions.

<u>Department</u>	<u>Proposed Position</u>
Planning & Zoning	Principal Planner
Economic Development	Economic Development Manager

In addition to the changes above, two full-time positions are being re-classed due to promotions and/or to better suit the restructure of the organization.

<u>Department</u>	<u>Current</u>	<u>Proposed</u>
Community Support	Assistant to the City Manager	Community Support Manager
Planning & Zoning	Assistant Planning Director	Assistant Community Development Director

The City contributes to the California Public Employees Retirement System (CalPERS), a multiple-employer public employee defined benefit pension plan for all authorized employees and temporary employees who work more than 1,000 hours per fiscal year, or who have previously been part of CalPERS pension program. CalPERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions and all other requirements are established by the State statute and City ordinance, with the City providing the following benefits:

- Tier 1: 2.5% at 55 formula for employees hired prior to July 1, 2011
- Tier 2: 2.0% at 60 formula for employees hired between July 1, 2011 and January 1, 2013 or hired from a Reciprocal Agency within 6 month break in service
- Tier 3: 2.0% at 62 formula for employees, new to CalPERS, hired after January 1, 2013, and was not a member of a Reciprocal Agency or had a break in service longer than six (6) months).

CalPERS acts as a common investment and administrative agent for participating public entities with the State of California. The annual cost of CalPERS pension for authorized employees for FY2023-2024 is estimated to be \$2,065,527.

## Summary of Budgeted Positions

	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>
<b>Department</b>					
City Council	5.00	5.00	5.00	5.00	5.00
Community Support	0.80	0.80	3.00	5.00	5.00
City Treasurer	1.00	1.00	1.00	1.00	1.00
City Clerk					
Public Safety Advisory Commission	5.00	5.00	5.00	5.00	5.00
City Clerk	3.00	3.00	3.00	3.00	3.00
City Manager	3.70	3.70	3.50	4.00	4.00
Administrative Services					
Finance	7.83	8.83	9.33	9.66	9.66
Human Resources	2.33	2.33	2.33	2.66	2.66
Community Development					
Planning Commission	5.00	5.00	5.00	5.00	5.00
Planning & Zoning	7.40	8.40	9.40	12.00	13.00
Building & Safety	7.50	7.50	6.50	7.00	7.00
Code Enforcement	7.05	7.05	8.05	9.00	9.00
Economic Development	0.05	0.05	0.05	2.00	2.00
Engineering	9.00	11.00	12.00	14.00	14.00
Public Safety					
Fire Prevention	0.00	1.00	2.00	2.00	2.00
Emergency Services	0.00	0.00	0.00	1.00	1.00
Public Works					
Public Works Administration	13.00	17.00	18.00	20.00	20.00
Park Services	9.00	10.00	12.00	12.00	12.00
Lake Services	2.00	2.00	2.00	2.00	2.00
Community Services					
Recreation	4.00	5.00	5.25	6.75	6.75
Community Center	22.00	21.00	20.00	23.00	23.00
Senior Center	6.00	6.00	6.00	7.00	7.00
Neighborhood Center	9.00	10.00	10.00	11.00	11.00
Internal Service Funds					
Insurances Services	0.34	0.34	0.34	0.68	0.68
Information Technology	4.00	4.00	4.00	5.00	5.00
Fleet Services	2.00	3.00	3.00	3.00	3.00
Facilities Services	2.00	2.00	3.00	3.00	3.00
Launch Pointe	2.00	24.00	24.25	20.25	20.25
NPDES	0.00	2.00	0.00	0.00	0.00
<b>Total Authorized Positions</b>	<b><u>140.00</u></b>	<b><u>176.00</u></b>	<b><u>183.00</u></b>	<b><u>201.00</u></b>	<b><u>202.00</u></b>





# General Fund Overview By Department

The following section includes an expenditure summary with a narrative account of the General Fund Operating Budget. Each Department section includes the short term objectives staff have developed for the upcoming fiscal year which are used to develop their operating budgets. Each Department's objectives are measurable and include performance measures which demonstrate the progress made in the recent fiscal years towards their objectives.

The General Fund serves as the City Council's primary operating fund used to finance the majority of City services including; Public Safety, Public Works, Community Development and City Administration. The primary sources of revenue for the General Fund include Sales Tax, Property Tax, Transient Occupancy Tax, Development-related revenue, and other revenues that are not specifically designated to be accounted for in another fund. General Fund revenue may be appropriated by the City Council on any expenditure that serves a public purpose.

## **General Fund Overview Departments**

### **General Government**

- City Council
- Community Support
- City Treasurer
- City Clerk
- City Attorney
- City Manager

### **Administrative Services**

- Finance
- Human Resources

### **Public Safety**

- Police Services
- Fire Services
- Fire Prevention
- Animal Services
- Emergency Services

### **Community Development**

- Planning & Zoning
- Building & Safety
- Code Enforcement
- Economic Development

### **Public Service**

- Engineering
- Public Works
  - Administration
  - Park Services
  - Lake Services

### **Community Service**

- Recreation
- Community Center
- Senior Center
- Neighborhood Center

### **Non-Departmental**



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# DEPARTMENTS

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## Department Performance Measures & Goals

In an effort to incorporate our Dream Extreme 2040 Plan into the city's budget process, the City of Lake Elsinore department developed performance measures and long-term goals based on the aspirations.



### ASPIRATION 1

**Be the destination for the action sports industry in Southern California.**



### ASPIRATION 3

**Foster our natural resources - the Lake and our surroundings are the heart of our healthy community.**








### ASPIRATION 2






**Grow a vibrant and active City where our residents thrive.**













### ASPIRATION 4





**Dream Extreme in our City governance, seeking innovative, inclusive, and enduring solutions.**





Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>City Clerk</b>					
	Implement and utilize technology to improve efficiency in the City Clerk's Office.	Percentage of electronic delivery of agenda and materials	100%	100%	100%
	Increase transparency by providing accurate information and records to customers in a timely manner.	Number of Public Records Requests processed	732	620	600
	Implement and utilize technology to improve efficiency in the City Clerk's Office.	Number of Documents Scanned	9,529	8,329	10,000
	Implement and utilize technology to improve efficiency in the City Clerk's Office. Increase transparency by providing accurate information and records to customers in a timely manner.	Percentage of Conflict of Interest Code filings, Campaign Statements, and Ethics Code Certifications filed on time	75%	95%	100%
	Improve efficiencies for passport services and public records dissemination.	Number of Passport Applications Processed	229	472	500





Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Finance</b>					
	To always win award	GFOA Award Winning Annual Comprehensive Financial Report	2	2	2
	To always win award	GFOA and CSMFO Award Winning Budgets Presented	1/Pending	1	1
	Monitor for need of additional Payable Clerk	Payable Invoices Paid Per Year	10,770	10,800	10,900
	Use to monitor the need of additional Business License Clerk and/or need for additional Economic Development tacticts that improve the live of citizens	Number of New Business License Issued Per Year	281	388	400
	Monitor for need of additional Cashier or improved online services	Number of Cash Receipts Processed	7,443	7,500	7,600

Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Human Resources</b>					
	Successfully support the community's needs	Average number of days to fill a full time vacancy	109	100	90
	Successfully support the community's needs	Average number of days to fill a part time vacancy	22	30	20
	Successfully support the community's needs	Full Time Turnover Rate	18%	10%	8%
	Successfully support the community's needs	Part Time Turnover Rate	50%	55%	45%
	Successfully support the community's needs	Attendance at Annual Benefit Fair	NA	NA	75%






Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Police</b>					
	Decrease reponse time for high priority calls for service.	Measure response time in minutes year over year.	7.70min	7.85min	7.69min
	Decrease DUI related traffic collisions and injuries.	Increase targeted DUI patrols and DUI arrests.	181	215	255
	Decrease the number of boating related incidents on the Lake	Increase boating patrols and public contact on the Lake by way of enforcement.	90	125	150
	Decrease DUI related traffic collisions and injuries.	Continue DUI checkpoints as a way of educating the driving public	3	3	3
	Revitalize the Crimefree multi-housing program.	Increase the frequency of the apartment manager meetings.	0	6	12






Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Fire Suppression</b>					
	Develop fire department strategic plan providing city leadership with ability to make informed decisions on future public safety needs and programs.	Ensuring the city has appropriate fire facilities, apparatus, and equipment to meet the evolving needs.	0.00%	25%	75%
	Continue to build innovation and technology in the Fire Department	Upgrade 100% of all emergency fire apparatus to GPS Opticom technology. Improving emergency response times and reduce possibility of traffic collisions increasing public and firefighter safety.	25%	75%	100%
	Minimize the impact to life, property and all emergency situations	Average response times to emergency incidents within 5 minutes	55%	65%	75%
	Mentorship and succession planning	Develop a mentoring program and facilitate personnel development to ensure continuity of operations	0%	25%	50%






Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Fire Prevention</b>					
	Publish technical policies online	Publish technical policies on the City's website to assist the construction / development community	0	10	20
	Establish an annual fuel modification and business inspection program to educate the public about fire safety	Create an annual inspection program and hire additional staff	0	1 position	2 positions
	Improve connection with Fire Operations to support growth	Route all General Plan Amendments, Specific Plans, and Zone Change applications through the Division Chief for planning and comment	4	6	10
	Establish a funding mechanism to recover costs of fuel modification and annual business inspections	Fully fund additional positions as needed to ensure public safety	0% funded	50%	100%





Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Emergency Services</b>					
	Provide readiness for all emergencies	CIP Complete	0	0	1
	Continue to train staff to be prepared	ICS/SEMS/NIMS classes for City Staff	3	4	5
	Maintain EOC staff ready for all incidents	EOC Training - City Staff	0	1	2
	Maintain EOC staff ready for all incident	EOC TTX and Functional Exercise	0	1	2















Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Planning &amp; Zoning</b>					
	General Plan Update	Complete initial draft, enironmental review, and final adoption	5%	30%	100%
	Zoning Code Update	Complete initial draft, public review, and final adoption	0%	0%	50%
	Adopt customer-friendly web and phone service	Percent of all customer requests responded to within 1 working day	75%	75%	100%
	Use technology to capture and preserve institutional knowledge	Digitize and manage all Planning records	10%	30%	100%
	Streamline Entitlement Process	Issue all comment letters within 30 days of receipt of application	100%	100%	100%





Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Building &amp; Safety</b>					
	All permits online	Building Permits Issued	3,008	3,000	3,000
	Inspections results done in field on I Pad	Number of Inspections Performed	14,200	15,000	15,000
	Plan reviews done electronically	Plan reviews completed	814	1,000	1,000
	Increase review times to 7 days	Plan reviews completed within 10 days re checks within 5 days	100%	100%	100%
	Work with business owners for a safer community	Number of Certificates of Occupancy	76	100	100



Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Code Enforcement</b>					
	Maintain ongoing relationships with city partners	Continue weekly homeless outreach with Police and SWAG	65	52	52
	Continue a pro-active approach to removing grafitti	Number of hours for turnaround time for grafitti removal	72	48	48
	Reduce the impact to life, property, and the environment from blighted conditions	Percentage of code cases resolved and closed within 4 weeks	85%	85%	85%
	Remove hazardous brush reducing fire risk	Percentage of weed abatement cases resolved and closed	100%	100%	100%
	Provide a safe environment for residents and visitors and protect our tax paying businesses	Percentage of illegal vendors removed throughout the city	100%	100%	100%




Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Economic Development</b>					
	Facilitate streamlined development review/ entitlement processes	Major Project Approvals - 18 mos.	NA	NA	100%
		Minor Project Approvals - 12 mos.	NA	NA	100%
	Promote local business expansion opportunities for Lake Elsinore's existing businesses and industries	Provide quarterly information on available state and federal programs	NA	NA	4
		Conduct quarterly business collaboration programs	NA	NA	4
		Conduct quarterly real estate agent/broker mixers	NA	NA	4
	Expand the City's economic base through the recruitment of targeted industries	Attend industry-specific trade shows and conferences	NA	NA	4
		Recruitment outreach contacts to targeted industries and business clusters	NA	NA	12
		Implementation of a business incentive program geared toward the redevelopment of existing retail centers	NA	NA	1
		Placement of advertisements	8	0	4
	Be a regional partner to help facilitate business growth, retention and expansion for the Greater Temecula Valley	Membership in economic development related organizations	7	3	4




Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Engineering</b>					
	Ensure City's Roadway, pedestrian, and bikelane Infrastructure is Highly Functional	*Roadway - sq ft of pavement maintenance	1,781,800 SF	1,500,000 SF	1,500,000 SF
		*Bike lanes - linear ft of bikelanes created/maintained	15,000 LF	12,500 LF	17,500 LF
		*Sidewalks - sq ft of sidewalks constructed/repaired	1,200 SF	1,000 SF	1,000 SF
	Improve the City's drainage network	*Linear feet of drainage lines constructed	0	2,000 SF	2,000 SF
		*Square foot of surface drainage features and cross gutters	26,920 SF	15,000 SF	15,000 SF
		* Number of new catch basins constructed	0	20 SF	20 SF
	Maintain a friendly and responsive customer service relationship with developers and residents	Number of due diligence inquiries responded to including Public Records Requests	225	190	185
	Improve water quality within the City and the Lake's watershed	*Number of catch basins retrofitted with trash capture inserts	0	100	100
		*Number of water quality elements constructed or improved	2 Desilting basins	2	5
	Ensure The efficient operation of the City's traffic circulation elements	*Number of Intersections improved.	60 Improved	68 Improved	74 Improved
		*Number of safety or traffic analysis studies conducted	12 Studies	14 Studies	16 Studies




Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Public Works</b>					
	To provide central administrative support, coordination and direction for the entire Department	Number of Public Works Contracts administered	65	70	80
	Provide highly functional and sustainable city facilities and infrastructures	Average number fo facility service order requests completed each year	1211	1500	2000
	Minimize the impact of life, property and the environment from natural hazards and the emergency situations	Total number of storm drains inlets inspected/cleaned	70	100	200
	Continue to maintain local roads and streets	Total number of street signs replaced, repaired and installed	330	547	650
	Continue to maintain local roads and streets	Total linear sq. ft. of asphalt cracks fills completed each year	75,000	33,216	90,000
	Continue to maintain local roads and streets	Total sq. ft. of asphalt repairs completed each year	95,000	125,000	150,000
	Maintain the natural beauty of the community	Total number of trees trimmed each year	1,750	1,800	1,500




Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Public Works - Park Maintenance</b>					
	Maintain the natural beauty of the community	Number of trees trimmed in Parks and Beaches each year	948	700	1,000
	Promote energy efficient operations & development	Average number of park site energy efficiency lighting system conversions each year	259	50	30
	Provide highly functional and sustainable City Facilities and Infrastructure	Average number of City park rehabilitation and repair projects completed each year	1	4	10
	Promote community involvement	Average number of park maintenance requests completed each year	120	50	100





Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Public Works - Lake Maintenance</b>					
	Minimize the impact to life, property and the environment from natural hazards and emergency situations	Total number of lake buoys replaced each year	32	30	30
	Continue to maintain beaches and water ways	Total number of signs replaced, repaired and installed	49	50	60

Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Recreation</b>					
	Promote high quality Parks and Recreation Program and Cultural Services	Number of people in attendance at cultural events	7,500	8,500	9,000
	Offer signature events to the community	Number of signature events hosted per year	1	3	6
	Embrace technology to support the delivery of City services	Increasing the use of social media and new technology	300	600	1,000




Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Community Center</b>					
	Promote quality parks and recreation programs	Maintain recreational use at 75%	25%	50%	75%
	Encourage community participation in water preparedness	Number of swim programs offered	20	20	30
	Provide quality adult opportunities	Number of Adult Sports Offerings	1	2	3

Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Senior Center</b>					
	Encourage and promote daily programming	Increase programming by 5%	2%	3%	5%
	Enhance experiences for daily participants	Increase travel or in-house presentations by 1 per month	6	12	24
	Foster a healthy Senior Community through a variety of opportunities	Health classes, classes and screenings at the Senior Center	75	150	200

Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Neighborhood Center</b>					
	Promote quality parks and recreation programs	Maintain recreational use at 75%	20%	30%	75%
	Encourage community participation through Adaptive Recreation	Number of programs offered	2	6	12
	Provide clean, accessible and affordable rental opportunities	Number of rentals per year	1	6	12

Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
<b>Information Technology</b>					
	Foster an organization structure aligning resources with demand	Percentage of computers replaced adhering to lifecycle replacement program	30%	20%	20%
	Foster an organization structure aligning resources with demand	Reduce the number of open helpdesk tickets to an average of 60	35	35	40
	Expand digital services to residents/businesses to maximize efficiencies.	Percentage of city services accessible to residents/businesses via a digital platform.	25%	40%	50%
	Enable systems to safeguard against cyber threats.	Number of security incidents or data breaches	10%	10%	10%



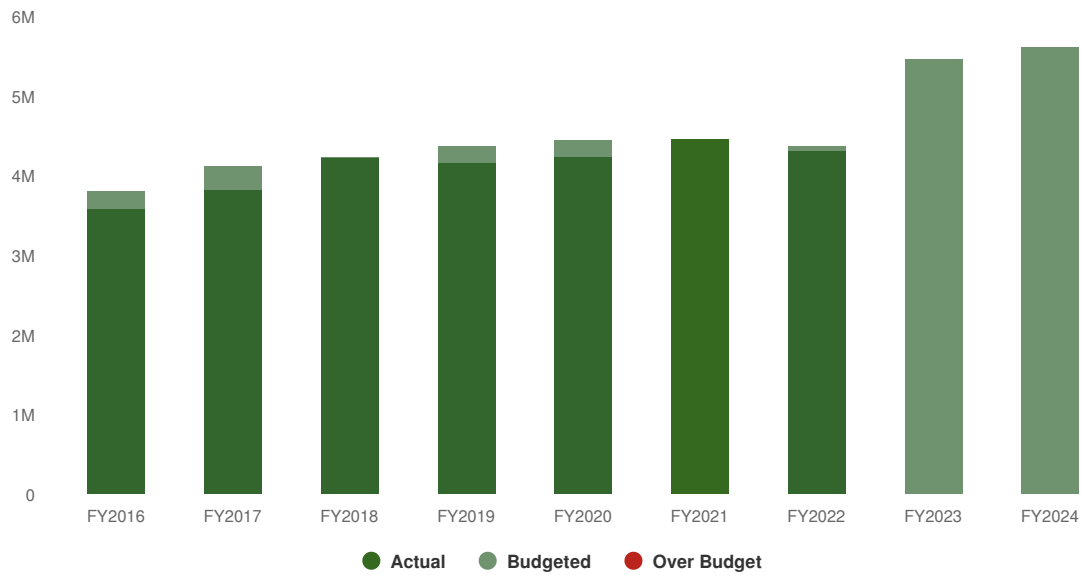
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2021-22 Actuals	FY 2022-23 Projected	FY 2023-24 Target
Launch Pointe					
	Broaden Lake Elsinore's appeal as a tourist destination	Authenticate Launch Pointe's verified listing activity	5	10	20
	Ensure Launch Pointe is family friendly	Weekend events throughout the year	25	50	100
	Continue to build a culture of innovation at Launch Pointe	Accessing more technological opportunities for guests and increase revenues	2%	8%	15%

## General Government

### Expenditures Summary

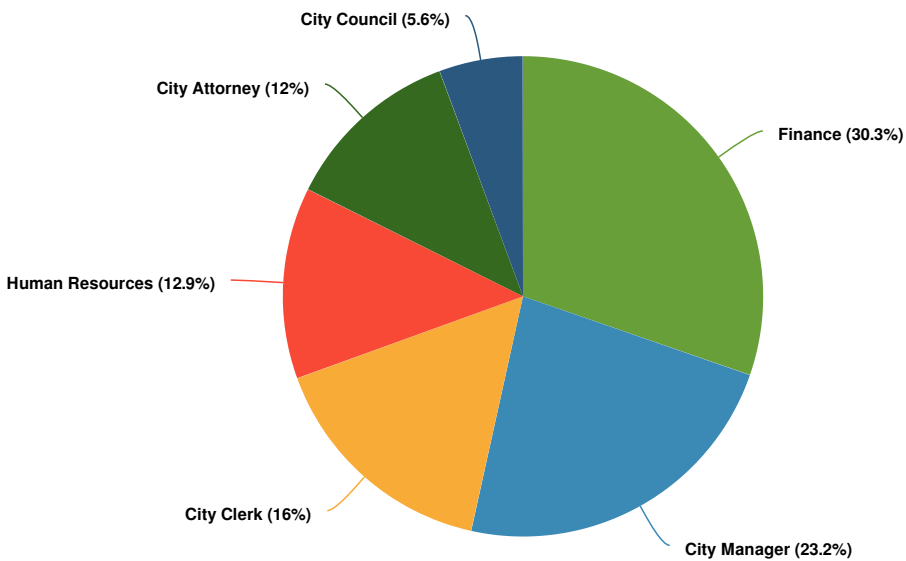
**\$5,630,110** **\$155,550**  
(2.84% vs. prior year)

#### General Government Proposed and Historical Budget vs. Actual

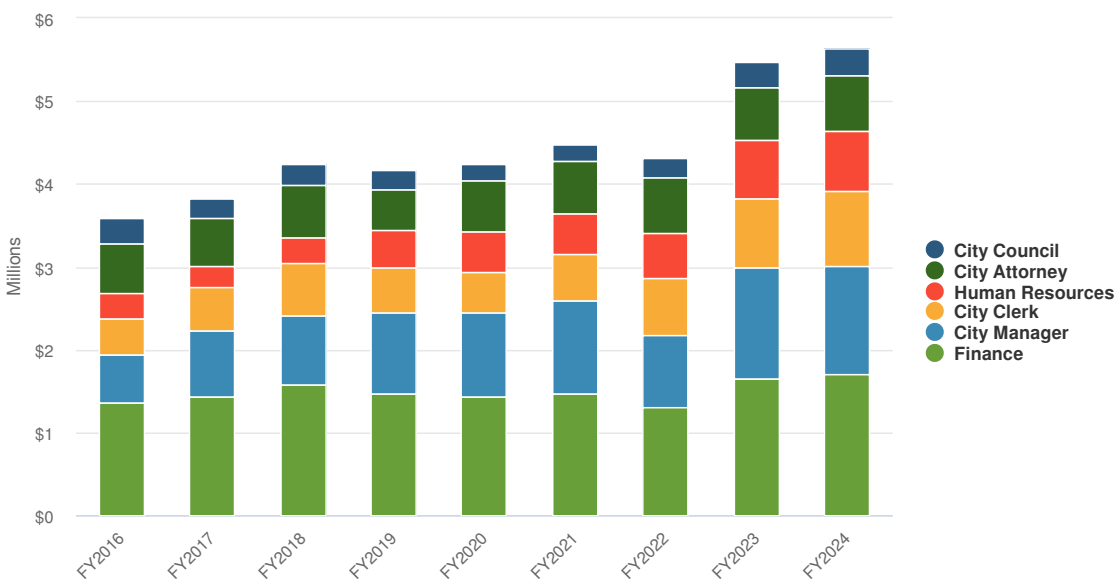


# Expenditures by Function

## Budgeted Expenditures by Function

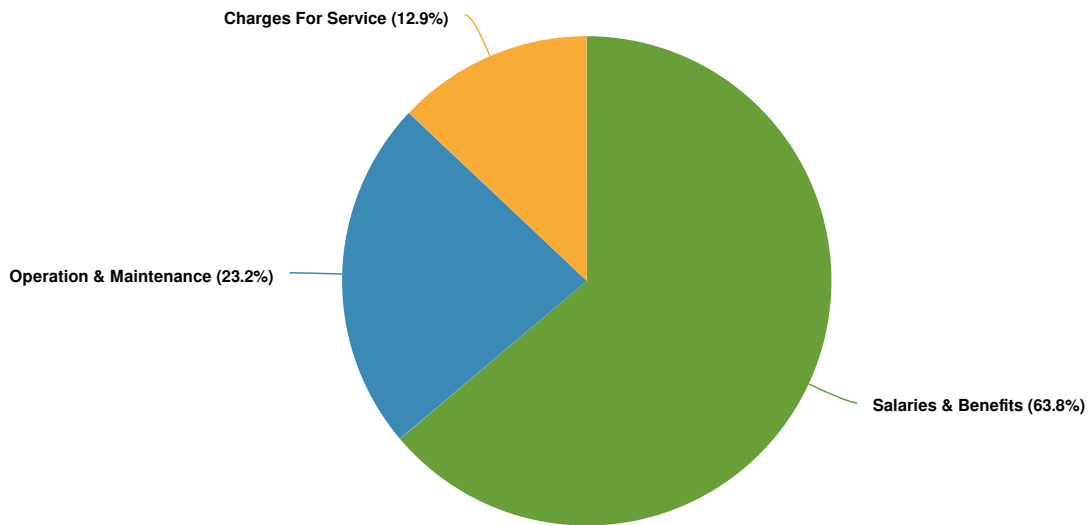


## Budgeted and Historical Expenditures by Function

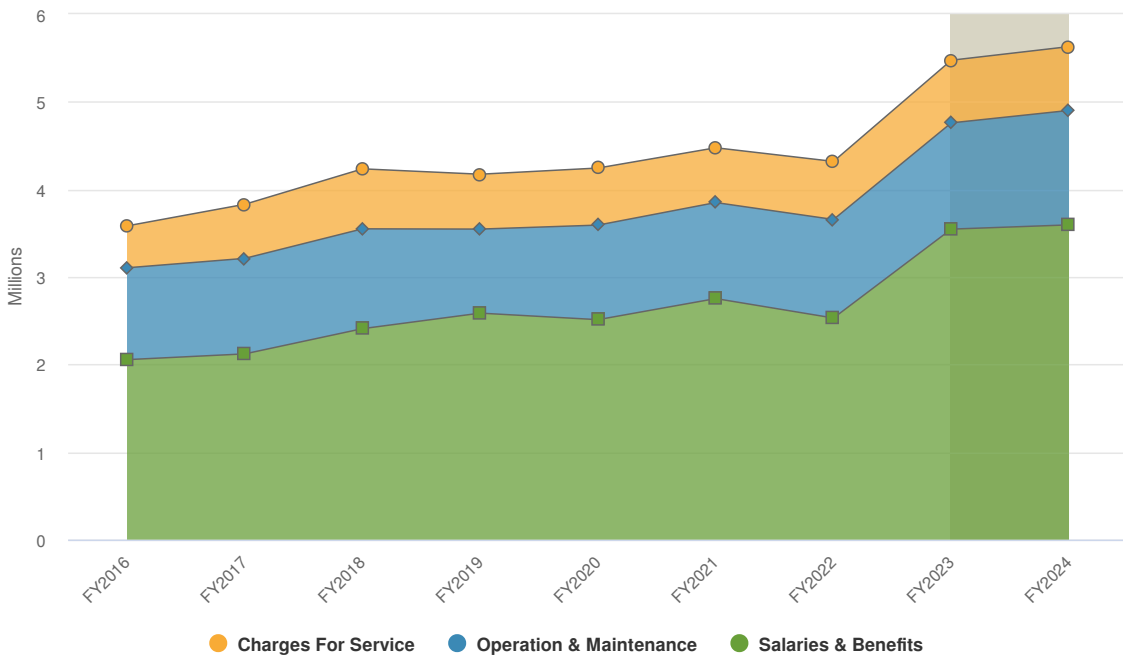


# Expenditures by Expense Type

## Budgeted Expenditures by Expense Type



## Budgeted and Historical Expenditures by Expense Type

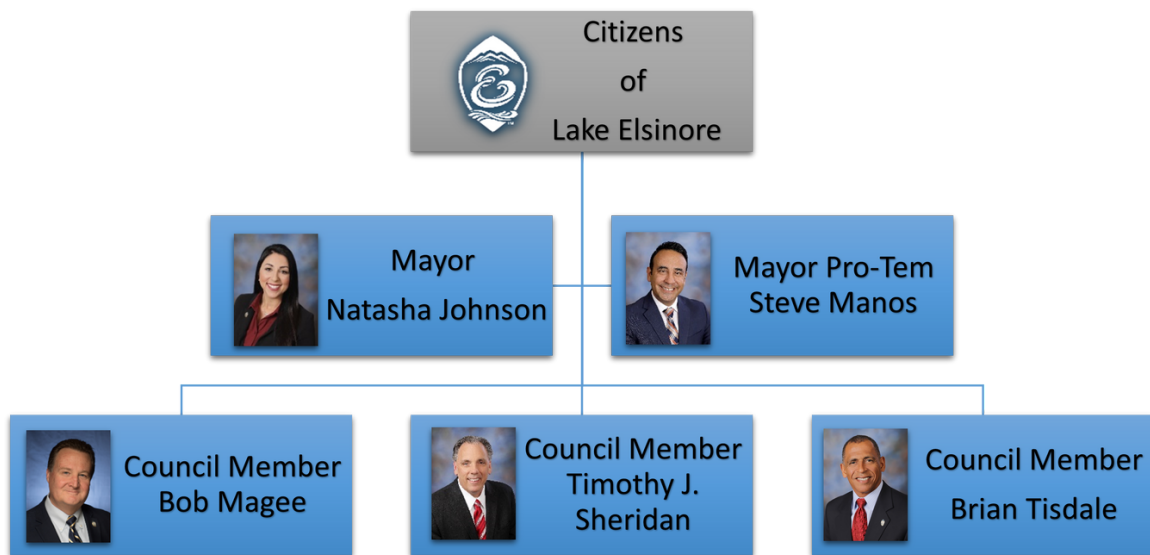


Grey background indicates budgeted figures.

# City Council

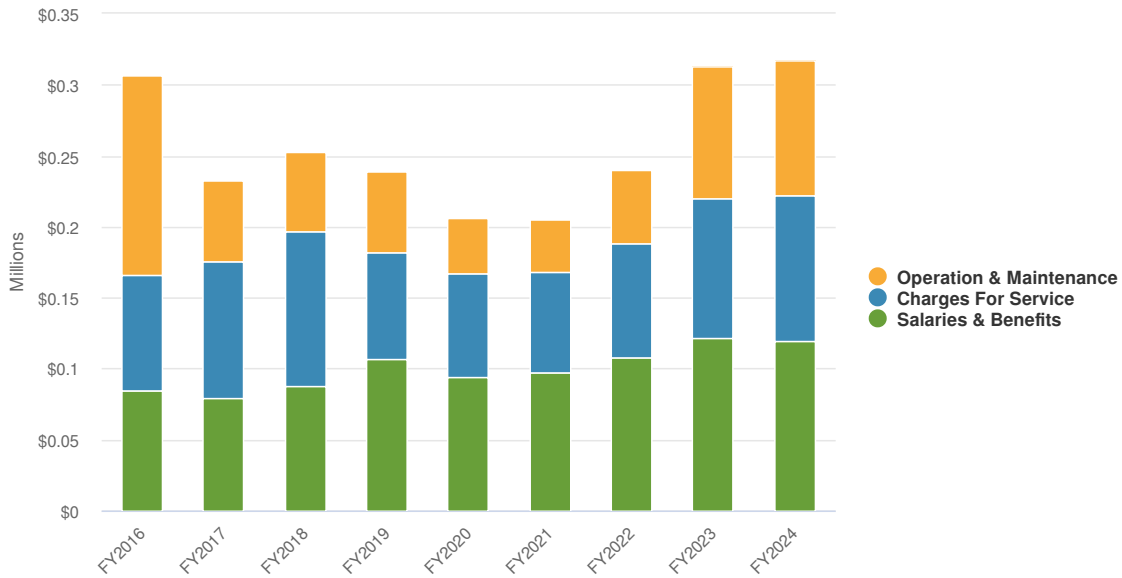
## Mission

The City Council is elected by the voters of Lake Elsinore to establish and adopt overall policies, legislative and otherwise, to give direction to the City Manager, to ensure effective and efficient operation of the City, and to identify the types and levels of programs and services to be provided to its residents. The Mayor and City Council serve to provide an overall quality of life in the City of Lake Elsinore by enhancing security, recreation, and neighborhoods, delivering quality public services, preserving and enhancing the City's economic prosperity, and embracing the diversity of the citizens.



# Expenditures by Expense Type

## Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$107,686.73	\$121,560.00	\$119,170.00	-2%
Operation & Maintenance	\$51,772.93	\$93,310.00	\$95,060.00	1.9%
Charges For Service	\$80,585.00	\$97,890.00	\$103,140.00	5.4%
<b>Total Expense Objects:</b>	<b>\$240,044.66</b>	<b>\$312,760.00</b>	<b>\$317,370.00</b>	<b>1.5%</b>



## **Personnel Allocation**

		<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
<b><u>CITY COUNCIL</u></b>				
Council Member	Total	<b>5.00</b>	<b>-</b>	<b>5.00</b>

## **FY 2022 - 23 Accomplishments**

- Supported the creation of local jobs and services by expanding economic development efforts and staffing to encourage new businesses to invest and locate in the City.
- Advocated the state and federal level for improved access to public services, including a new Downtown post office and funding for regional transportation projects.
- Evaluated the internal structure and recruited personnel to fill critical vacancies within the organization that best serve the community and protect valuable community assets, including the Lake and Downtown.
- Supported the bi-annual Measure Z Citizen Survey to gather citizen input on service needs for future funding considerations.
- Oversaw the City's aggressive Capital Improvement Plan for the coming year.
- Remained diligent in negotiating and securing funding and/or agreements needed to complete critical infrastructure and road improvement needs throughout the City.
- Maintained regular, ongoing participation in regional, statewide, and national intergovernmental committees, e.g. Western Riverside County Regional Conservation Authority, Riverside County Transportation Commission, League of California Cities, Western Regional Council of Governments, and Riverside Transit Agency.
- Continued exploring programs, incentives and municipal code changes to ensure service franchise, enforcement and development fees are represented accurately to reflect current trends and the associated staffing/administration costs.
- Expanded public transparency and outreach efforts to engage and interact with the community on a regular, ongoing basis, including the Monday Minute and Spotlight Lake Elsinore video series and exploring new digital signage opportunities in the City.
- Hosted the Annual State of the City in Downtown Lake Elsinore for the first time.
- Encouraged tourism and economic development by activating the Visitor's Bureau and promoting Film Lake Elsinore – a new initiative aimed at attracting photography and film producers to use locations in Lake Elsinore for their projects.
- Continued advocating for future projects and pursuing funding opportunities that will improve the overall water quality of Lake Elsinore.
- Identified and participated in regional initiatives to create solutions for high profile issues including homelessness, housing, traffic congestion and development considerations.

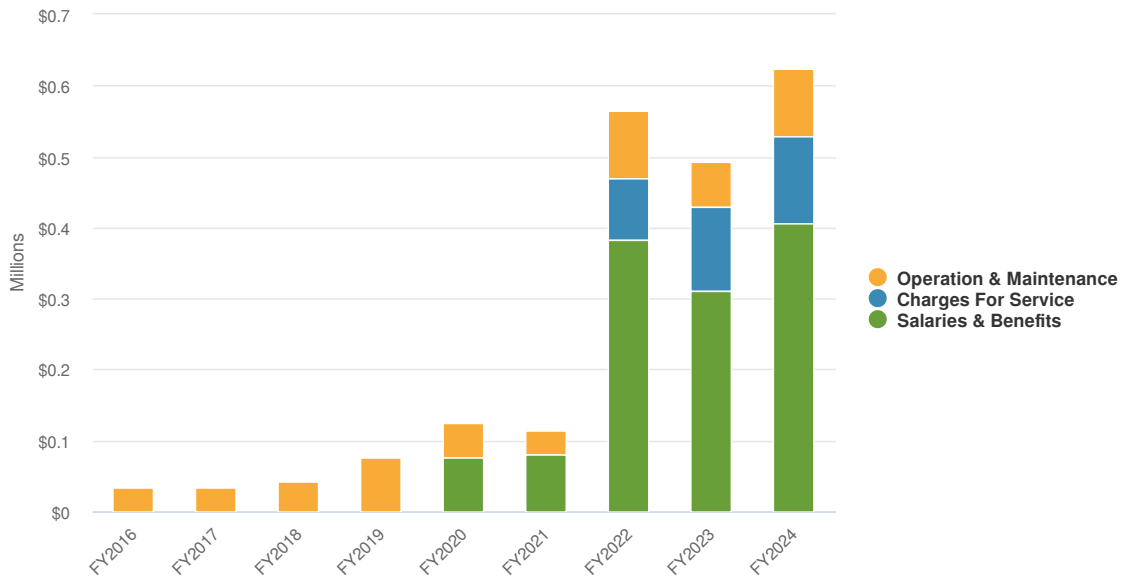
# Community Support

## Mission

Each fiscal year, the City of Lake Elsinore may allocate funds toward the Community Support Program ("Community Support Program") to serve as a funding resource to nonprofit organizations that provide programs or services that benefit Lake Elsinore residents. Community Support funds are intended to augment the efforts of non-profit organizations to benefit residents, neighborhoods and communities in Lake Elsinore. It is the City's policy to have a program that can ensure all requests are evaluated consistently prior to entering into agreements for specific measurable services. Once the agreement is executed, the City will hold recipients accountable for providing the agreed upon services within the specified time frame.

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type

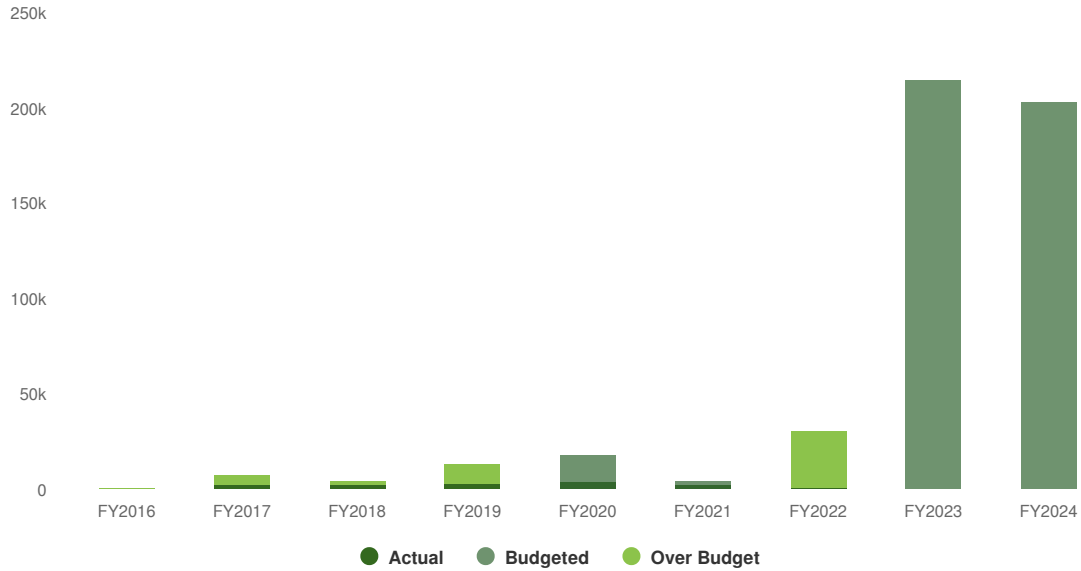


Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$381,976.08	\$309,940.00	\$405,970.00	31%
Operation & Maintenance	\$93,945.97	\$63,300.00	\$94,800.00	49.8%
Charges For Service	\$88,093.00	\$120,020.00	\$122,920.00	2.4%
<b>Total Expense Objects:</b>	<b>\$564,015.05</b>	<b>\$493,260.00</b>	<b>\$623,690.00</b>	<b>26.4%</b>

## Revenues Summary

**\$202,920** **-\$11,950**  
(-5.56% vs. prior year)

### Community Support Proposed and Historical Budget vs. Actual



## **Personnel Allocation**

	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
Director of Community Support (Unfunded)	1.00	-	1.00
Community Support Manager	1.00	-	1.00
Senior Management Analyst (Unfunded)	1.00	-	1.00
Management Analyst	1.00	-	1.00
Administrative Assistant (Unfunded)	1.00	-	1.00
Total	<b>5.00</b>	<b>-</b>	<b>5.00</b>

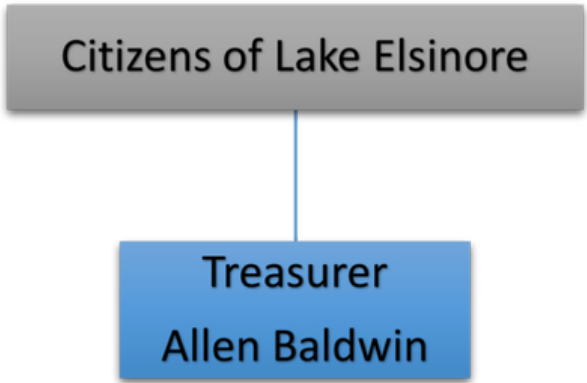
## **FY 2022 - 23 Accomplishments**

- Ensured widespread distribution and awareness of the Dream Extreme 2040 Plan to attract new investment and interest in the City of Lake Elsinore.
- Offered in-kind and financial support to reinvigorate and relaunch special events that encourage tourism, economic development and civic pride.
- Completed a 2023 Community Satisfaction Survey to be used for Measure Z funding initiatives.
- Proactively supported all departments with public information efforts, particularly for capital improvement projects, elections, lake water quality projects and homeless programs.
- Developed a funding platform for operation and supportive services at The Anchor and for the future redevelopment of the site into an extremely low-income housing project.
- Identified and applied for grant funding for key areas of focus for the City including homelessness, housing programs, lake water quality and/or community cleanup projects.
- Maintained regular, ongoing communications with the community through various media outreach opportunities including the website, billboards, social media, and newspapers.
- Participated in the overhaul and redesign of the City's website.
- Captured photos for visual assets to enhance Dream Extreme branding and improve aesthetics in City Hall conference rooms, hallways, and for use in marketing materials.
- Fully implemented Film Lake Elsinore efforts, including developing a website, hosting a familiarity tour and creating other promotional materials associated with the effort.
- Activated the Alert LE App to its full potential by expanding its use for push notifications.
- Hired a new Community Support Manager and Analyst.

# City Treasurer

**Mission**

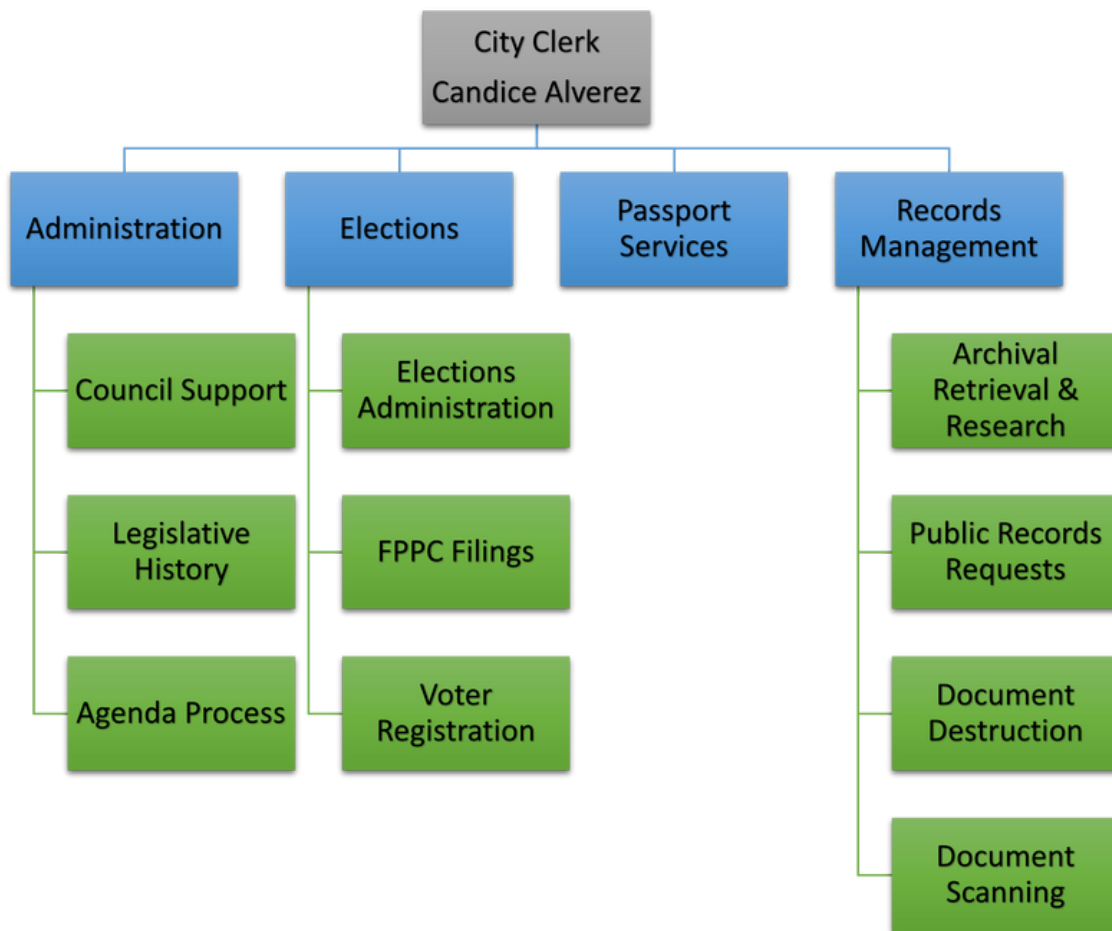
The City Treasurer is elected by the voters of Lake Elsinore to monitor and validate the safe collection, investment, custody and disbursement of City Funds. The City Treasurer serves a four-year term and works closely with the City Manager and Administrative Services Departments. The City Treasurer is a member of the Mayor’s Audit and Budget Committee.



# City Clerk

## Mission

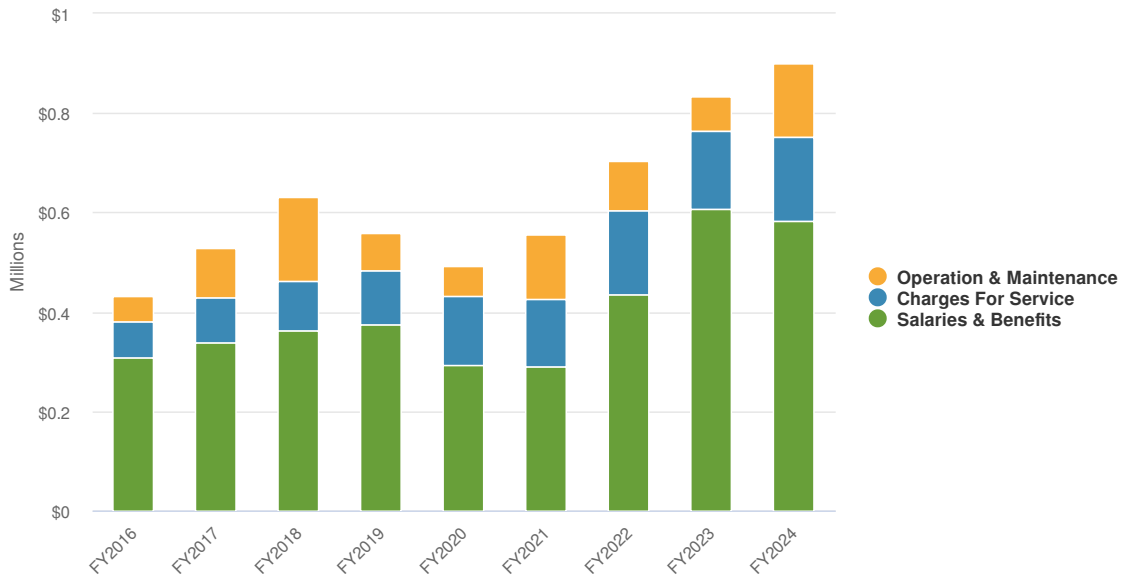
The City Clerk compiles and maintains the official records of the City, making them readily accessible and ensuring transparency to the public. Appointed by the City Manager, the City Clerk is the local official who administers democratic processes by conducting fair and impartial municipal elections. Additionally, the City Clerk acts as the Compliance Officer for Federal, State and local statutes and prepares, certifies and/or adheres to public notice requirements with regard to legal documents, ordinances, resolutions, and public hearings. The City Clerk's department also codifies and disseminates the City's Municipal code, promotes public awareness of government processes, provides meeting, administrative, and legislative support to the Mayor, City Council Members, and Commissioners, and arranges for both ceremonial and official functions.





# Expenditures by Expense Type

## Budgeted and Historical Expenditures by Expense Type

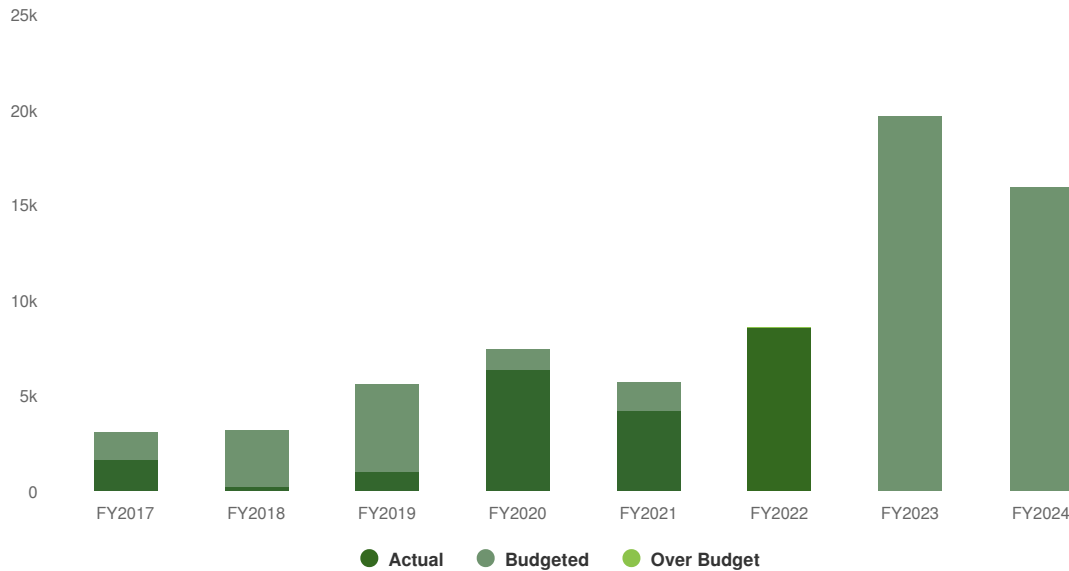


Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$435,215.20	\$606,280.00	\$582,480.00	-3.9%
Operation & Maintenance	\$100,385.04	\$71,390.00	\$148,740.00	108.3%
Charges For Service	\$167,949.00	\$157,090.00	\$169,880.00	8.1%
<b>Total Expense Objects:</b>	<b>\$703,549.24</b>	<b>\$834,760.00</b>	<b>\$901,100.00</b>	<b>7.9%</b>

## Revenues Summary

**\$15,950** **-\$3,700**  
(-18.83% vs. prior year)

### City Clerk Proposed and Historical Budget vs. Actual



### Personnel Allocation

	AUTHORIZED FY22-23	CHANGES	AUTHORIZED FY23-24
<b><u>CITY CLERK</u></b>			
City Clerk	1.00	-	1.00
Deputy City Clerk	1.00	-	1.00
Administrative Assistant	1.00	-	1.00
Total	<b>3.00</b>	-	<b>3.00</b>

### FY 2022 - 23 Accomplishments

- Continued providing training to City employees on Public Records Act Requests and Agenda Management.
- Conducted the 2022 Dream Extreme Future Leaders Program in person with 15 students.
- Increased hours of acceptance of passport applications.
- Updated from Granicus to PrimeGov Agenda Management Software, including updating the Staff Report template to include Aspiration icons from the Dream Extreme 2040 Plan.
- Improved efficiency of processing Public Records Act Requests.
- Consolidated with the Riverside County Registrar of Voters for the 2022 General Municipal Election.
- Began the process of auditing and organizing City-wide records for scanning, storage, and/or destruction in accordance with the City's Records Retention Schedule.



# City Attorney

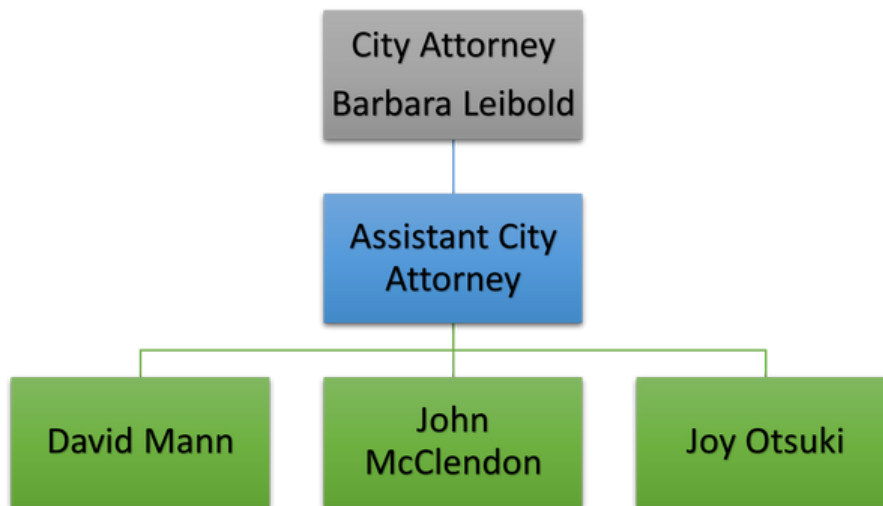
## Mission

The mission of the City Attorney's Office is to provide the City with the highest quality, responsive and preventative legal services and to identify legal options and strategies for implementing and achieving the City Council's goals, objectives and policies.

The City Attorney's office provides a wide range of professional legal services from complex and sophisticated transactions and litigation to general matters of municipal law, including open meeting laws, conflicts of interest, public records, public contracts, election laws, planning and zoning, water and environmental laws, mining laws and redevelopment dissolution. The City Attorney's Office strives to provide effective analysis and preparation/review of resolutions, ordinances, contracts and other legal documents necessary to accomplish the City's municipal functions and City Council goals.

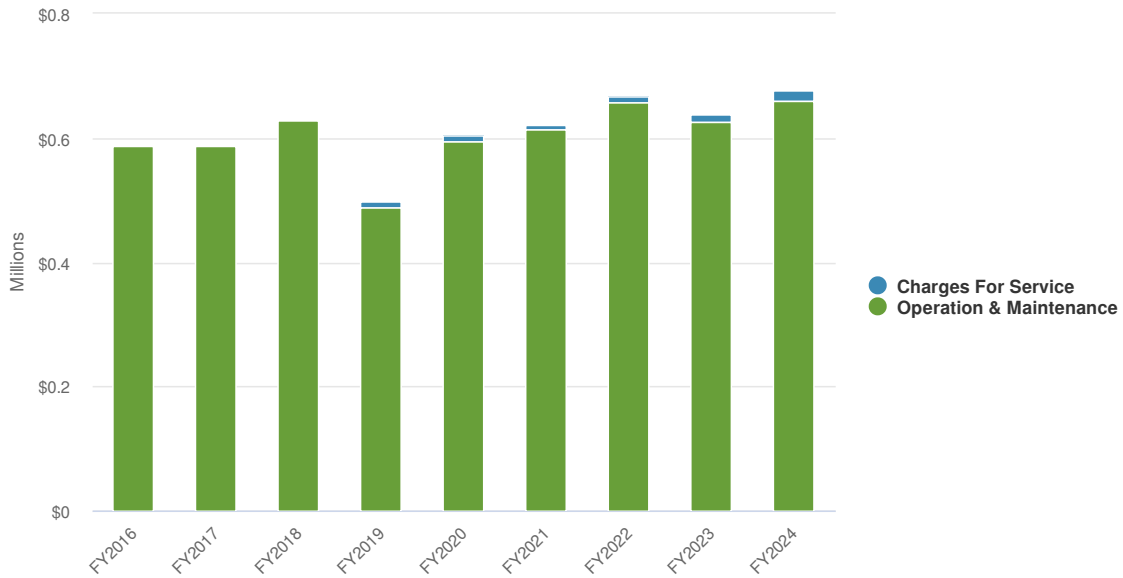
The City Attorney is appointed by the Lake Elsinore City Council. The City Attorney serves as legal advisor to the City Council, Successor Agency, City commissions, City Manager, City Clerk and City Departments. City Attorney services are performed under contract with the law firm of Leibold McClendon & Mann.

## Organizational Chart



# Expenditures by Expense Type

## Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Operation & Maintenance	\$656,570.93	\$625,600.00	\$660,600.00	5.6%
Charges For Service	\$10,706.00	\$12,650.00	\$15,610.00	23.4%
<b>Total Expense Objects:</b>	<b>\$667,276.93</b>	<b>\$638,250.00</b>	<b>\$676,210.00</b>	<b>5.9%</b>

## **FY 2022 - 23 Accomplishments**

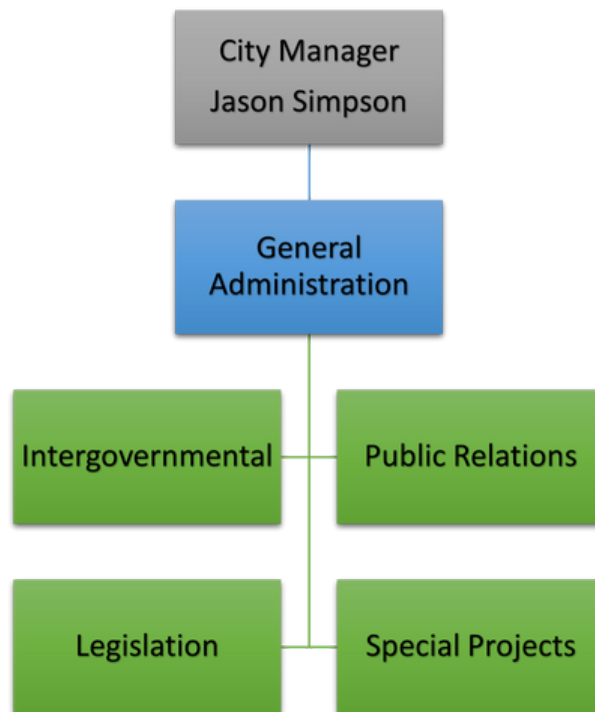
- Provided timely, cost effective quality legal services in furtherance of City Council's goals, advancing City interests and limiting risk.
- Prepared/reviewed & approved all City Council and Planning Commission agenda reports & attachments, including ordinances, resolutions, and contracts, and attended all Council and Commission meetings.
- Prepared ordinances addressing City Council compensation, trespass on public lands, and planning commission terms.
- Assisted City in completion of Annual Housing Element Progress Report.
- Advised City on SB 341 Housing Fund Reports and assisted consultant by compiling documents and analyses to ensure compliance and guide negotiations of new affordable housing project agreements and financing commitments.
- Represented City interests in connection with FERC's dismissal new LEAPS Project application.
- Advanced City interests with RCA and wildlife agencies to implement Back Basin 770 acre MSHCP plan, Summerly conservation easements, project mitigation requirements, ACOE CAP alternatives and grant opportunities.
- Assisted City staff, code enforcement and special counsel regarding illegal camping enforcement and community workshop.
- Successfully defended CEQA challenge to Kassab Travel project entitlements.
- Advised City on matters involving Launch Point and prepared new use agreements.
- Assisted Engineering staff with various interchange and right of way projects, including Temescal Bridge project acquisition documents and negotiations regarding project mitigation.
- Assisted City Clerk with cancellation of 2022 General Municipal Election.
- Tracked legal issues regarding COVID-19 recovery, prepared resolution terminating local emergency and advised City regarding new rules for remote participation.
- Represented City involving personnel matters.
- Advised Successor Agency and secured DOF funding for enforceable obligations, including bonded indebtedness, Stadium, Summerly DDA and repayment of Low and Moderate Income Housing Fund Loan.
- Prepared Ninth Amendment to Stadium Interim Management Agreement, securing funding for continued operations and capital projects and obtained DOF approval.

# City Manager

## Mission

The City Manager is appointed by the City Council to serve as the Chief Administrative Officer of the organization. The City Manager's Office coordinates the implementation of policy and programs established by the City Council. The City Manager provides overall direction to the administration of City programs and services; coordinates economic development and marketing activities; intergovernmental relations, lobbying, and public relations efforts; oversees interdepartmental programs for strategic planning, emergency preparedness and animal control. The City Manager's Office is committed to the policy of providing extreme customer services to the community, and promoting overall safety to the staff and citizens of Lake Elsinore.

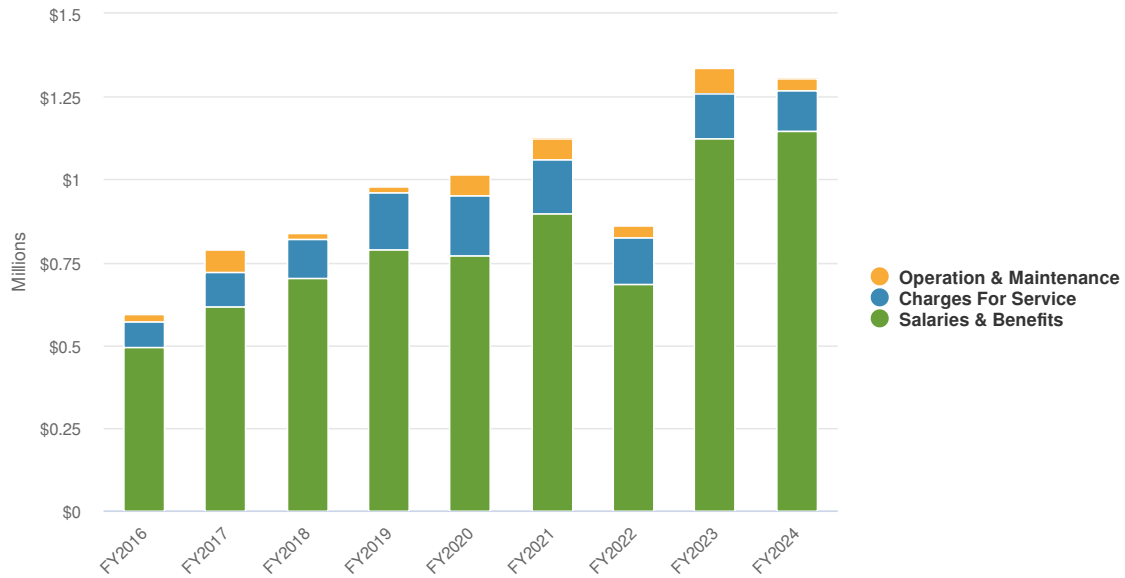
## Organizational Chart





# Expenditures by Expense Type

## Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$686,028.66	\$1,123,970.00	\$1,147,720.00	2.1%
Operation & Maintenance	\$36,853.43	\$72,850.00	\$36,500.00	-49.9%
Charges For Service	\$139,443.00	\$137,920.00	\$119,560.00	-13.3%
<b>Total Expense Objects:</b>	<b>\$862,325.09</b>	<b>\$1,334,740.00</b>	<b>\$1,303,780.00</b>	<b>-2.3%</b>

## **Personnel Allocation**

	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
<b><u>CITY MANAGER</u></b>			
City Manager	1.00	-	1.00
Assistant City Manager	1.00	-	1.00
Executive Assistant II	1.00	-	1.00
Executive Assistant I	1.00	-	1.00
Total	<b>4.00</b>	<b>-</b>	<b>4.00</b>

## **FY 2022 - 23 Accomplishments**

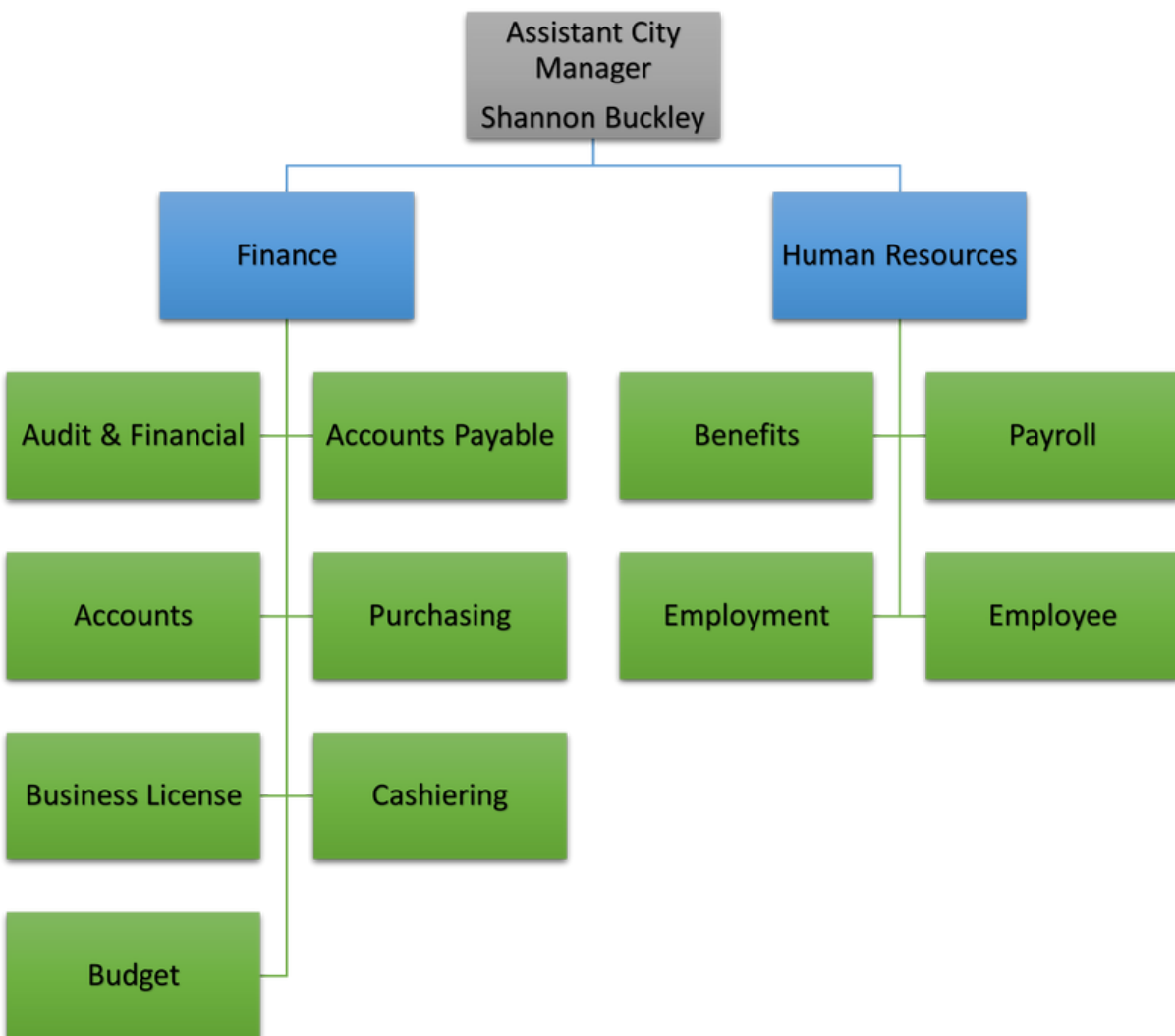
- Reorganized and restructured some departments to fill critical vacancies in the City including Lake Management, Economic Development, Planning and Community Development.
- Applied for funding opportunities to support high priority issues in the community including homelessness, transportation, pedestrian pathways, the Lake and public safety.
- Continued critical conversations and relationship building with outside agencies and entities to reduce delays and encourage progress for current and future development.
- Implemented the EPA Building Blocks Plan and Dream Extreme 2040 plan for Historic Downtown Lake Elsinore to encourage investment and maximize opportunities.
- Continued to foster positive working relationships with area stakeholders by participating in regional, collaborative meetings with surrounding cities, agencies and stakeholders.
- Identified and facilitate the purchase and/or acquisition of key properties throughout the City that provide valuable resources for future community projects.
- Created and promoted professional development opportunities throughout the organization to allow for positive succession amongst employees.
- Improved public information resources and department collaboration to communicate capital improvement and privately funded projects under review, approved, under construction and recently completed within the City.
- Expanded Engage LE efforts to promote opportunities for civic engagement and solidify the City as the primary source of information through Alert LE, digital Soofa Signs, social media, a Citizen's Academy program, and other digital tools.
- Facilitated ongoing communication and collaboration across departments.
- Proactively engaged with property owners and business owners to promote and support their success whenever possible.
- Used city council subcommittees to effectively manage complex tasks and projects that require additional oversight, discussion and approval.
- Supported and assisted all departments, when needed, in prioritizing, communicating, and completing their goals.
- Oversaw management of new revenue sources including Measure Z and ARPA funds
- Effectively managed and led the organization through the ongoing COVID-19 pandemic.
- Hosted the 2022 State of the City Address on Main Street for the first time in coordination with the Chamber of Commerce.

# Administrative Services

## Mission

The Administrative Services Department responsibilities include cash and investment management, financial reporting, coordination and preparation of the Annual Operating Budget and Capital Improvement Plan, external and internal audits, payroll, accounts receivable, financial oversight, business licensing, purchasing and contracting, financial management of Police, Animal Control and Fire contracts, and administration of all city funds and accounts. The Department is comprised of Finance and Human Resources.

## Organizational Chart



# Finance

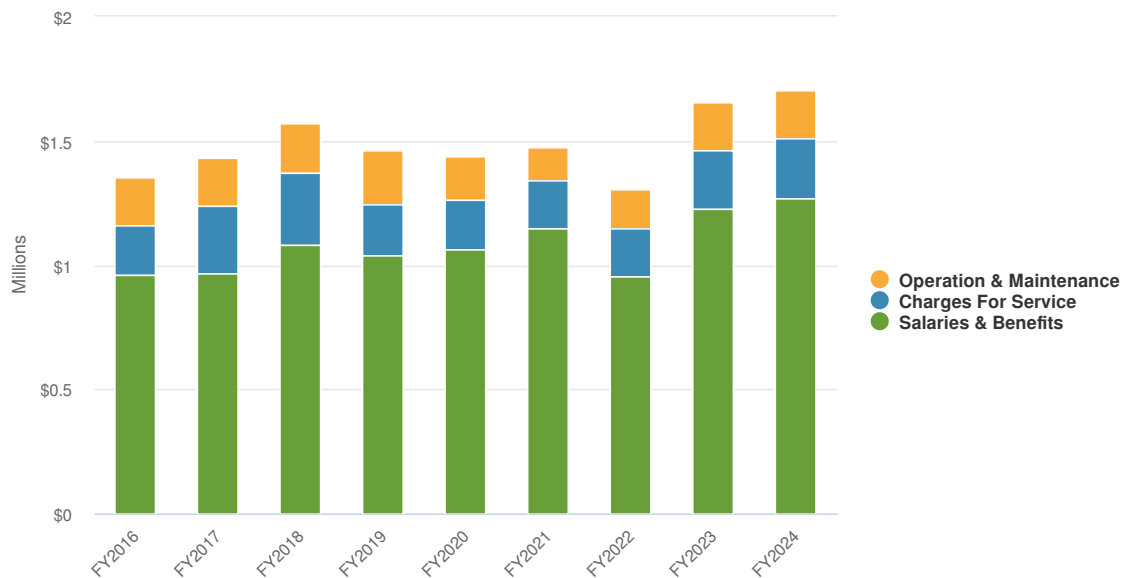
## Mission

The Finance Division develops fiscal policies to ensure a financially strong City government, provides finance- based services and facilitates growth in the City through the effective and efficient management of resources and processes.

The Finance Division administers the financial and treasury affairs of the City of Lake Elsinore. It serves as an indispensable partner on topics requiring economic, financial and fiduciary inputs and expertise. As such, the division provides the City's departments and residents with dependable and efficient quality services in Cash Management, Accounting and Financial Reporting, Procurement, Grants and Contracts, as well as its internal and external audit partners.

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$954,388.88	\$1,226,330.00	\$1,268,260.00	3.4%
Operation & Maintenance	\$155,574.16	\$197,180.00	\$194,010.00	-1.6%
Charges For Service	\$195,028.00	\$234,270.00	\$244,160.00	4.2%
<b>Total Expense Objects:</b>	<b>\$1,304,991.04</b>	<b>\$1,657,780.00</b>	<b>\$1,706,430.00</b>	<b>2.9%</b>

## **Personnel Allocation**

	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
Director of Administrative Services (Unfunded)	0.33	-	0.33
Assistant Director of Administrative Services	0.33	-	0.33
Finance Manager	1.00	-	1.00
Fiscal Officer	1.00	-	1.00
Senior Accountant (1 Unfunded)	2.00	-	2.00
Accountant I (1 Unfunded)	2.00	-	2.00
Account Specialist III (Unfunded)	1.00	-	1.00
Account Specialist II	2.00	-	2.00
Total	<b>9.66</b>	<b>-</b>	<b>9.66</b>

## **FY 2022 - 23 Accomplishments**

- Completed the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021 by December 30, 2022.
- Received Governmental Finance Officers Association (GFOA) Award of Achievement for Excellence in Financial Reporting for FY 2020-21 for the ACFR.
- Applied for the GFOA Award of Achievement for Excellence in Financial Reporting for FY 2021-2022.
- Received the GFOA Award of Distinguished Budget Presentation for FY 2021-2022.
- Received the California Society of the California Office of Municipal Office for the FY 2022-2023 Operating Budget.
- Received the CSMFO the Excellence Award for FY 2022-23 Capital Budget for the City's Annual Capital Improvement Plan Budget Report for FY 2022-23 to FY 2026-2027.
- Updated the Investment Policy for 2023.
- Implemented Gateway for Short-Term rental license activity.

# Human Resources

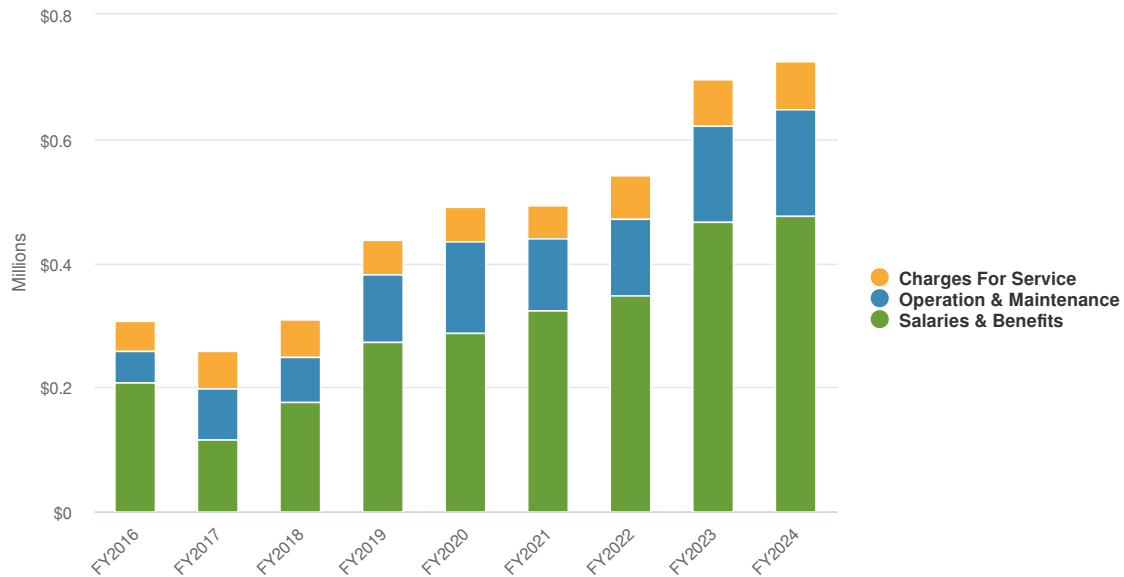
## Mission

The Human Resources division is part of the Administrative Services Department, which also includes the Finance Division. Its focus is on meeting the personnel and support needs of the City, according to all applicable employment standards and labor laws. The goal of the division is to develop and manage a diverse and skilled workforce.

The division functions include recruitment, benefits, job descriptions, salary surveys, training, performance evaluations and labor relations. The division serves both the City's employees and prospective employees.

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$347,011.18	\$467,450.00	\$476,440.00	1.9%
Operation & Maintenance	\$124,324.51	\$153,100.00	\$172,070.00	12.4%
Charges For Service	\$69,483.00	\$75,720.00	\$76,710.00	1.3%
<b>Total Expense Objects:</b>	<b>\$540,818.69</b>	<b>\$696,270.00</b>	<b>\$725,220.00</b>	<b>4.2%</b>



## **Personnel Allocation**

	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
Director of Administrative Services (Unfunded)	0.33	-	0.33
Assistant Director of Administrative Services	0.33	-	0.33
Senior Human Resources Analyst	1.00	-	1.00
Payroll Specialist	1.00	-	1.00
Total	<b>2.66</b>	<b>-</b>	<b>2.66</b>

## **FY 2022 - 23 Accomplishments**

- Attended 2022 JPIA Risk Conference
- Hosted the 2022 Employee Service Award Luncheon
- 2023 Health Open Enrollment was nearly 100% paperless
- Handled all covid related claims and matters
- Sent staff to LCW trainings
- Continued accurate payrolls
- Continued to hold quarterly safety meetings
- Hired 39 employees in 2022
- Transitioned to a new DMV Pull Program tracking system
- Handled employee evaluation process (reminders, review, processing)
- Processed all workers compensation claims
- Created new payroll calendar
- Updated holidays and work schedules in Paychex
- Reported payroll to CalPERS every pay period
- Completed payroll AP packets every pay period
- Paid/reconciled benefit invoices every month
- Assisted employees with pay and benefit questions/changes/enrollments
- Assisted employees with general questions
- Completed APER and GCC for State Controller's Office
- Reported quarterly State taxes through EDD
- Completed new policies

## Public Safety

### Mission

The Public Safety Division is comprised of the collaboration of Police Services, Fire Services (Fire Suppression and Fire Prevention), Animal Services, and Emergency Services to serve the City of Lake Elsinore.

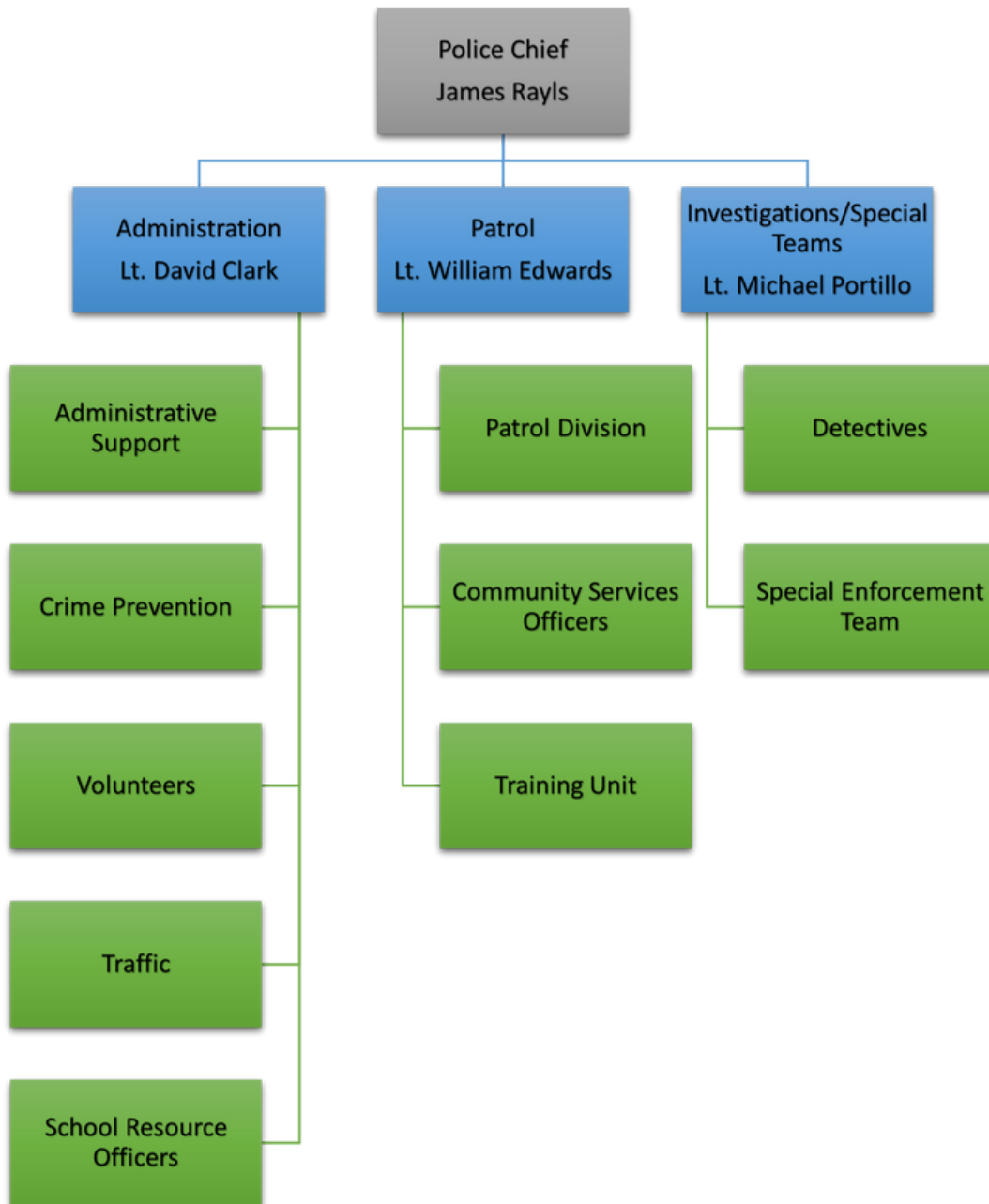


# Police Services

## Mission

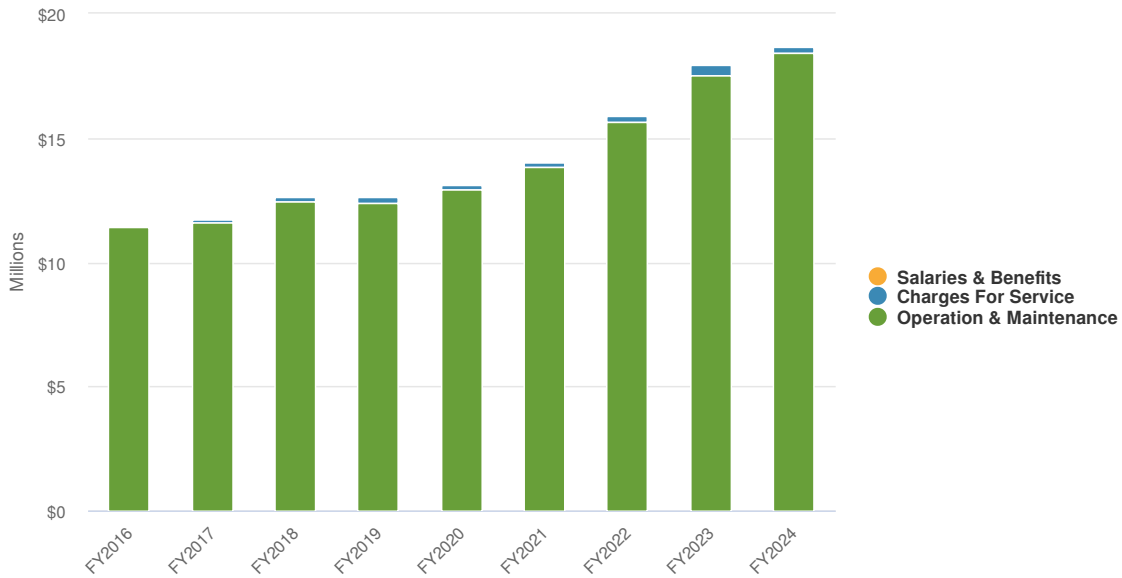
The mission of the Lake Elsinore Sheriff's Station is to provide our community with law enforcement services through the determined pursuit of criminal offenders and by using innovative crime prevention tactics. This is accomplished through a partnership with the community that uses mutual trust and transparency to enhance the quality of life for our residents, while reducing crime and protecting the individual rights of every citizen. Service above self.

## Organizational Chart



# Expenditures by Expense Type

## Budgeted and Historical Expenditures by Expense Type

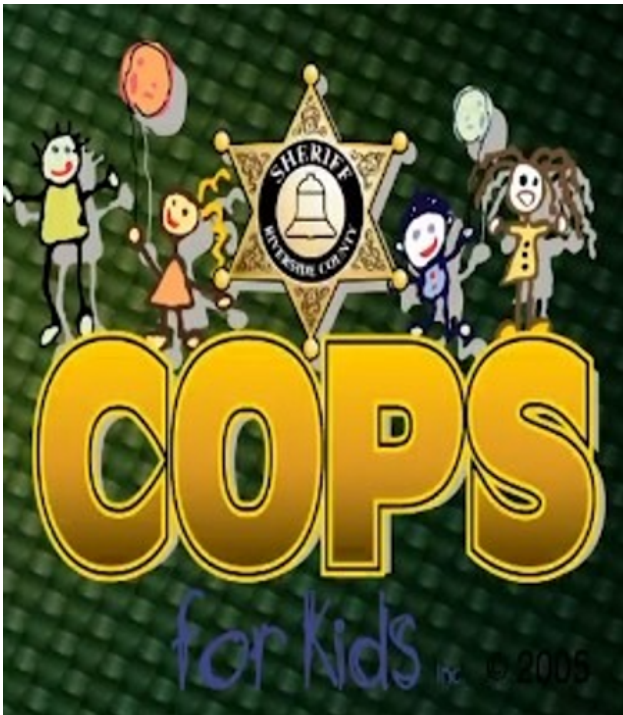


Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$12,856.00	\$0.00	\$0.00	0%
Operation & Maintenance	\$15,651,429.58	\$17,519,210.00	\$18,434,220.00	5.2%
Charges For Service	\$212,105.00	\$423,360.00	\$218,000.00	-48.5%
<b>Total Expense Objects:</b>	<b>\$15,876,390.58</b>	<b>\$17,942,570.00</b>	<b>\$18,652,220.00</b>	<b>4%</b>



## **FY 2022 - 23 Accomplishments**

- Strengthened our relationship with Code Enforcement, SWAG and other partners in area of homeless outreach enabling the reduction in the footprint of homelessness throughout the city.
- Succeeded in having the explorer post recognized as a non-profit with the Internal Revenue Service
- Revitalized the Crime-Fee Multi housing program
- Worked closely with the City manager and City Council to best utilize measure Z funds, to enhance and increase public safety services for the community.





## Dedication To Deputy Darnell Calhoun

*The Department is saddened to announce the death of Deputy Darnell Calhoun, most recently assigned to the Lake Elsinore Station. Deputy Calhoun was shot and killed in the line of duty on Friday, January 13, 2023. He was 30 years old. Darnell Calhoun began his service with our Department as a Deputy Sheriff on February 24, 2022, and was assigned to the Lake Elsinore Station. Deputy Calhoun spent two years working for the San Diego Police Department before being hired by the Riverside County Sheriff's Office.*

*On behalf of the entire City of Lake Elsinore, we extend our deepest sympathy to the family of Deputy Darnell Calhoun.*

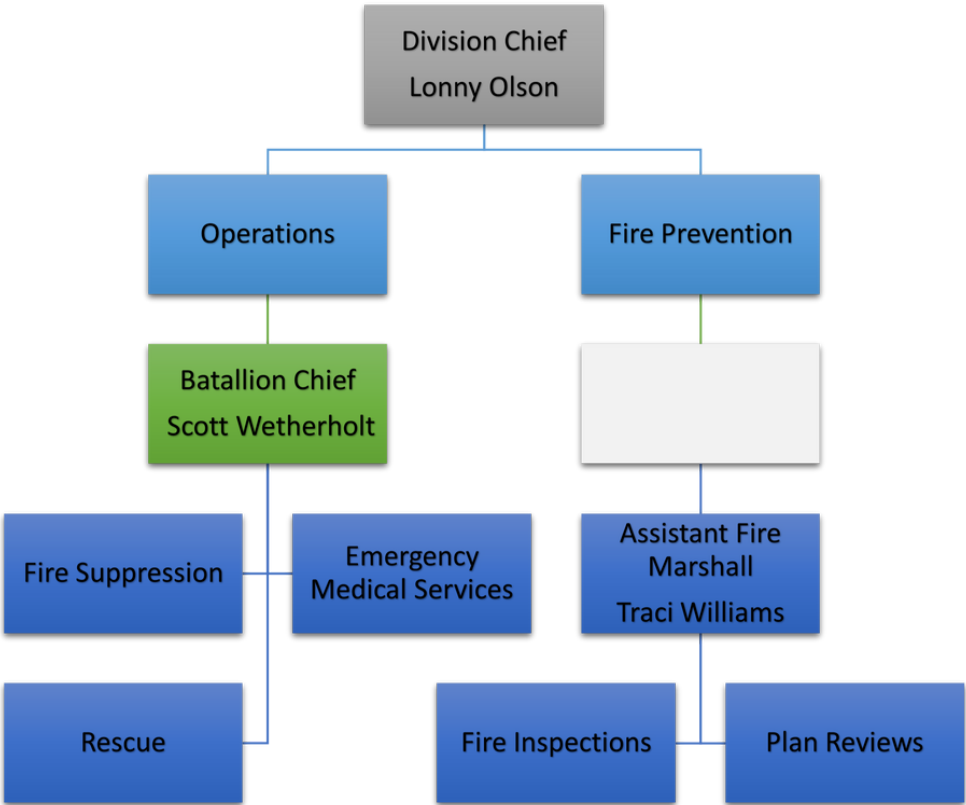


# Fire Services

**Mission**

The Fire Services Division contracts with both Riverside County Fire and Cal Fire. This coordination provides the citizens of Lake Elsinore with fire, emergency response as well as prevention, with the highest service.

## Organizational Chart

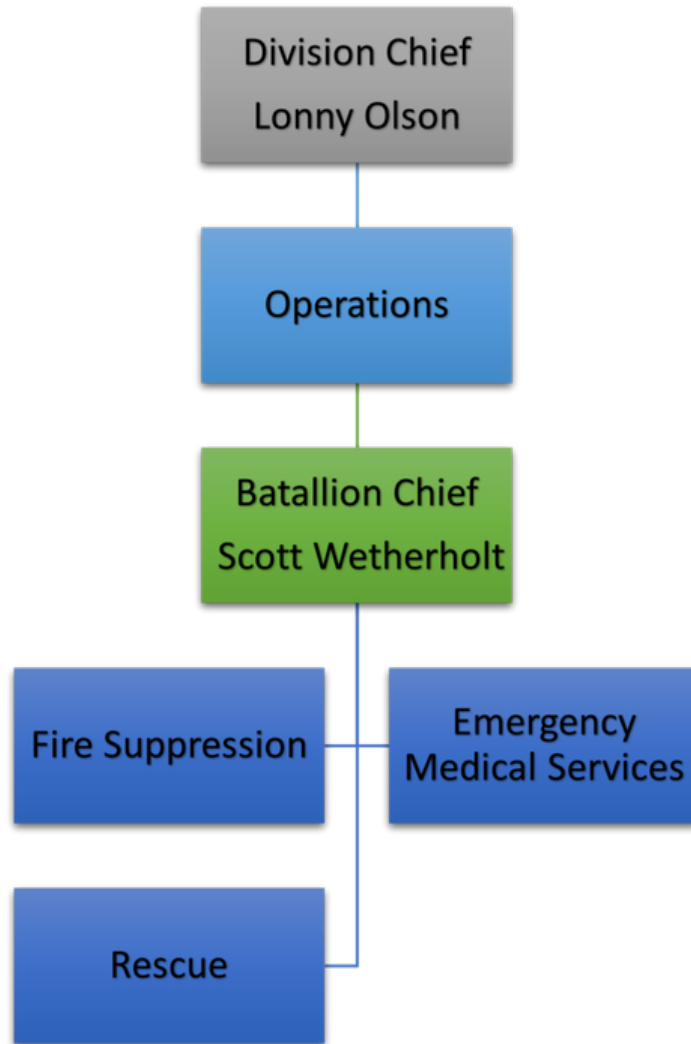




# Fire Suppression

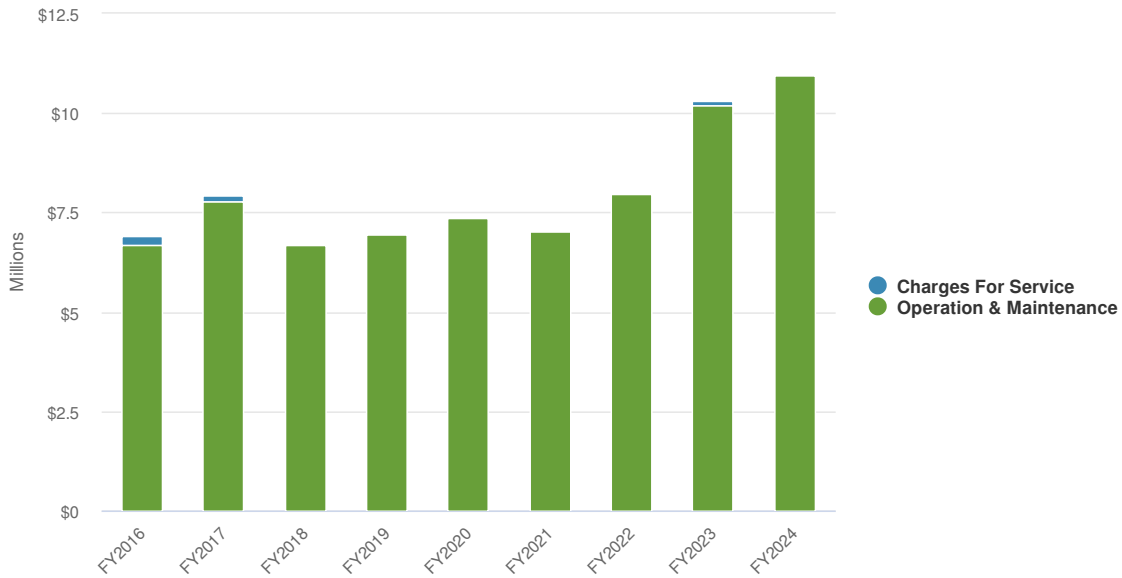
## Mission

The Lake Elsinore Fire Department maintains the highest levels of fire and disaster preparedness, prevention, and community involvement in order to ensure the safety of both our residents and visitors. The City contracts with the Riverside County Fire Department for Fire Services. Emergency Operations provides comprehensive emergency services, utilizing responsible fiscal management, a highly trained work force, progressive technology and modern equipment to dispense Fire and Paramedic services. The Fire Department is dedicated to protecting life, property, and the environment throughout the City.



# Expenditures by Expense Type

## Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Operation & Maintenance	\$7,980,097.34	\$10,203,150.00	\$10,940,460.00	7.2%
Charges For Service	\$35,228.00	\$108,500.00	\$63,790.00	-41.2%
<b>Total Expense Objects:</b>	<b>\$8,015,325.34</b>	<b>\$10,311,650.00</b>	<b>\$11,004,250.00</b>	<b>6.7%</b>



### **FY 2022 - 23 Accomplishments**

- The addition of Medic Squad 10 has led to a positive impact on public safety, notably reducing the average emergency response time from 5.1 minutes per call to 4.7 minutes per call.
- Responded to 6,931 emergency calls for fires, emergency medical service, hazardous materials incidents, traffic accidents, weather events and technical rescues.
- New Medic Squad 10 unit placed into service.
- Added additional auto extrication equipment “ The Jaws of Life” to Medic Squad 10 for improved response to traffic collisions.
- Successfully completed roofing remodels for McVicker Park Fire Station 85 and Canyon Hills Fire Station 94. These remodels have not only updated the facilities but also extended their long-term usability.



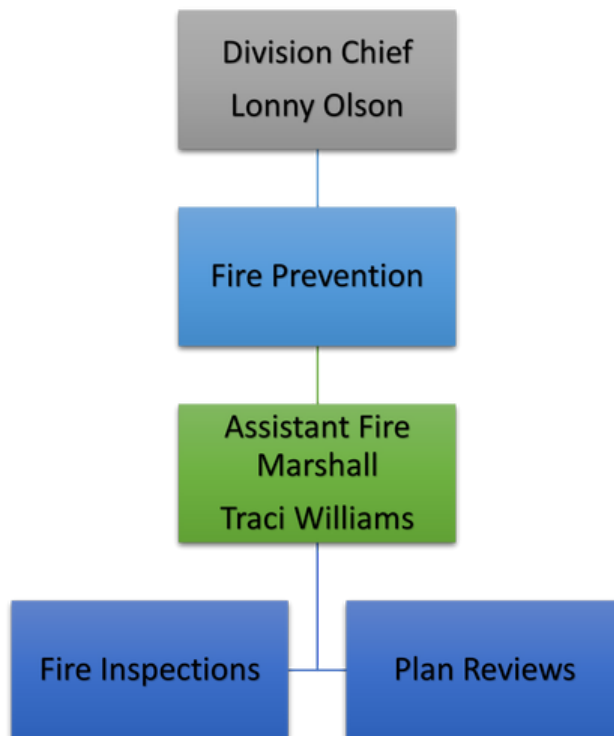
# Fire Prevention

## Mission

The Lake Elsinore Office of the Fire Marshal enforces the 2019 edition of the California Code of Regulations, Titles 19 and 24. This includes the California Fire Code, California Building Code, and California Residential Code.

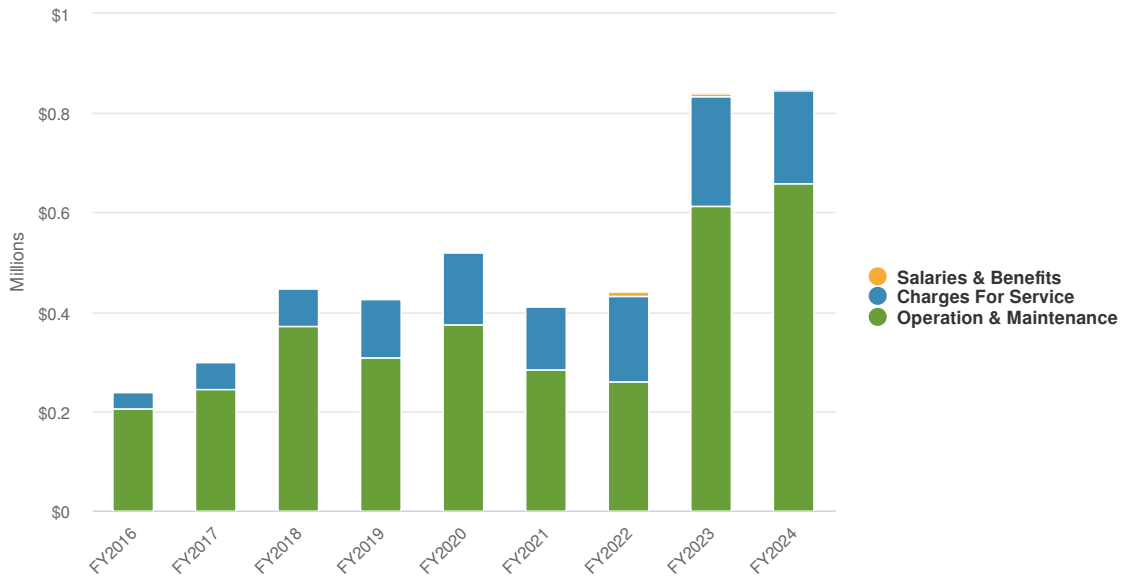
The Fire Department conducts business license inspections to promote fire safety for business owners, their employees, and the general public.

## Organizational Chart



# Expenditures by Expense Type

## Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$7,620.77	\$5,250.00	\$0.00	-100%
Operation & Maintenance	\$258,858.89	\$613,100.00	\$658,530.00	7.4%
Charges For Service	\$174,263.00	\$220,170.00	\$187,500.00	-14.8%
<b>Total Expense Objects:</b>	<b>\$440,742.66</b>	<b>\$838,520.00</b>	<b>\$846,030.00</b>	<b>0.9%</b>

### FY 2022 - 23 Accomplishments

- Completed 1,000+ weed abatement inspections
- Cleared 340+ neglected parcels
- Completed 1,700+ inspections
- Completed 470 plan reviews
- Met goals on plan review/inspection turnaround time
- Completed 100% of State mandated inspections
- Worked with Fire Department Operations to identify high priority vegetation abatement areas
- Revised weed abatement ordinance to improve efficiency
- Revised weed abatement inspection process to improve efficiency and community service

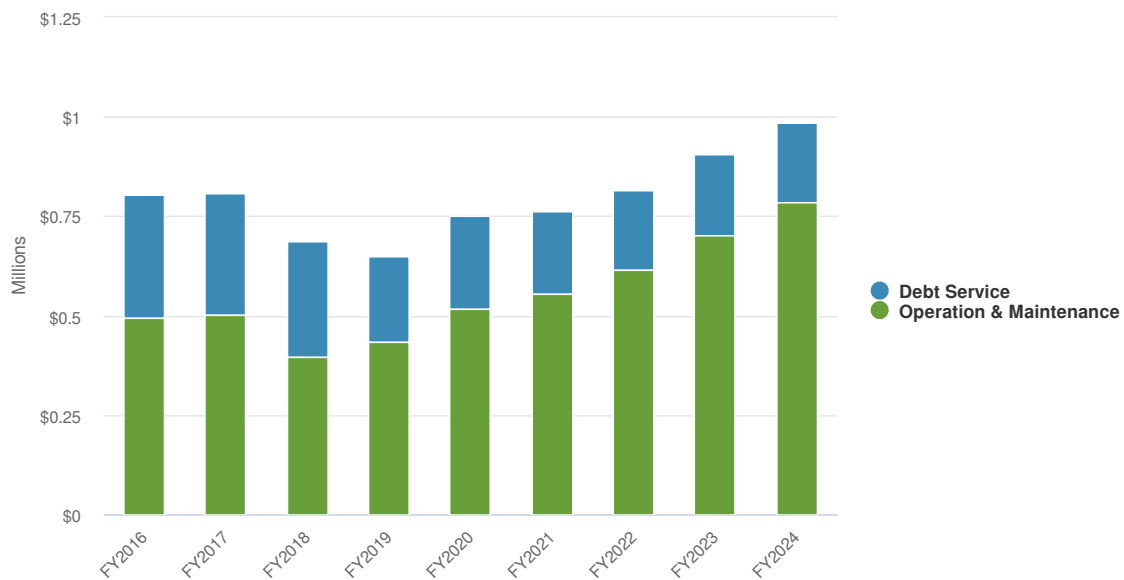
# Animal Services

## Mission

To contract with and support the Animal Friends of the Valley to provide adequate and reasonable animal control sheltering and field services for our residents, including: dog and cat licensing, community patrols, spay and neuter, microchipping and adoption services to protect the public safety of our community while reducing overpopulation and saving animal lives.

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Operation & Maintenance	\$613,687.41	\$702,510.00	\$785,000.00	11.7%
Debt Service	\$201,130.85	\$202,500.00	\$202,500.00	0%
<b>Total Expense Objects:</b>	<b>\$814,818.26</b>	<b>\$905,010.00</b>	<b>\$987,500.00</b>	<b>9.1%</b>



## **FY 2022 - 23 Accomplishments**

- Negotiated a new, long-term animal control services agreement that includes adequate service levels to ensure the overall public safety of the community.
- Further explored funding and cost recovery opportunities to phase in future increases in the total number of active animal control patrol hours per day.
- Developed a tool to do a thorough analysis of our sheltering numbers to understand the areas of greatest impact to identify ways to reduce long-term costs.
- As part of the overall fee study, align existing animal control fees, fines and services with the other cities in Southwest Riverside County.
- Expanded efforts to educate the community about responsible pet ownership and overall animal control costs and statistics in the City.
- Supported the Animal Friends of the Valleys marketing and donor development opportunity by sharing critical animal control messages through the City's existing communication channels.
- Continued to explore new program ideas, such as amnesty and vouchers, that encourage pet owners to license and spay/neuter their pets.

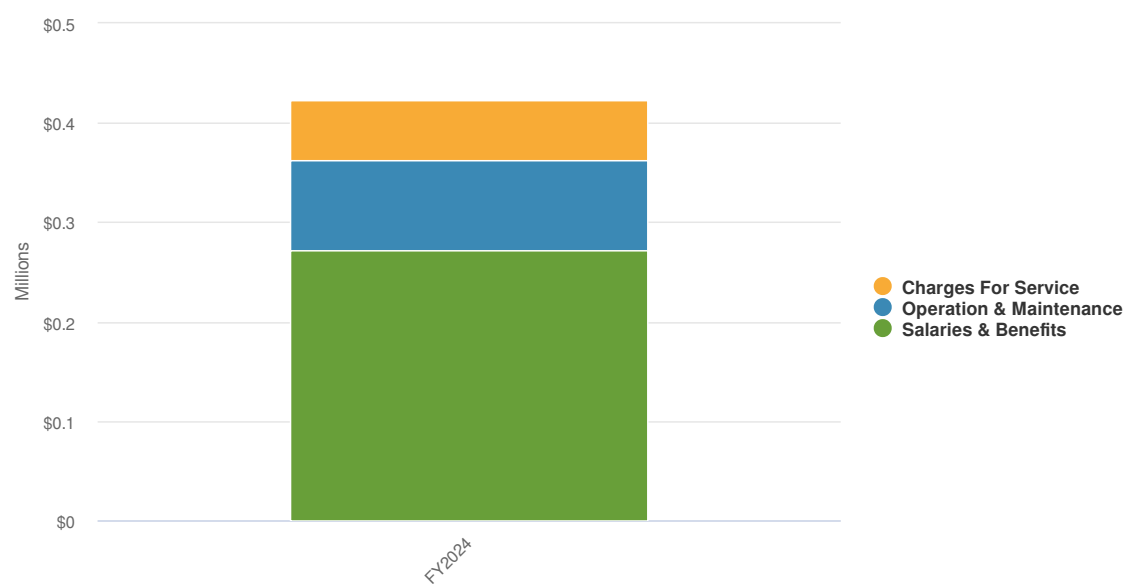


# Emergency Services

The City of Lake Elsinore Emergency Services strives to promote a secure and resilient City with the capabilities required across the whole community to prevent, protect against, mitigate, respond to and recover from threats and hazards that pose the greatest risk.

## Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2024 Budgeted	FY2023 undefined vs. FY2024 Budgeted (% Change)
Expense Objects			
Salaries & Benefits	\$0.00	\$271,760.00	N/A
Operation & Maintenance	\$0.00	\$90,650.00	N/A
Charges For Service	\$0.00	\$60,040.00	N/A
Total Expense Objects:	\$0.00	\$422,450.00	N/A



### Personnel Allocation

	AUTHORIZED FY22-23	CHANGES	AUTHORIZED FY23-24
<b>EMERGENCY SERVICES</b>			
Emergency Services Manager	1.00	-	1.00
Total	<b>1.00</b>	-	<b>1.00</b>

### FY 2022 - 23 Accomplishments

- Completed Incident Command/Standardized Emergency Management System/ National Incident Management System (ICS/SEMS/NIMS) training too 85% of city staff.
- Completed Emergency Operation Center (EOC) Section training to all city EOC staff on the org chart.
- Created and established a Concept of Operations (ConOps) of the City 2023 4<sup>th</sup> of July event.
- Completed a Community Emergency Respond Team (CERT) training.



# Community Development

## Mission

Community Development is a multi-disciplinary department providing a range of planning, development services, and affordable housing and related programs to citizens, elected officials, appointed boards, commissions, and City Departments. The department ensures that all development is consistent with the Municipal and Building Codes, the goals of the community, life safety, and neighborhood preservation. The Community Development Department is comprised of six divisions: Planning & Zoning, Building & Safety, Code Enforcement, Economic Development, and Graffiti. The Community Development activities are primarily involved in the Planning Division, which provides support for the Planning Commission, and assists the Commission and community in fulfilling the vision, goals, and policies as defined by the City Council.

## Organizational Chart



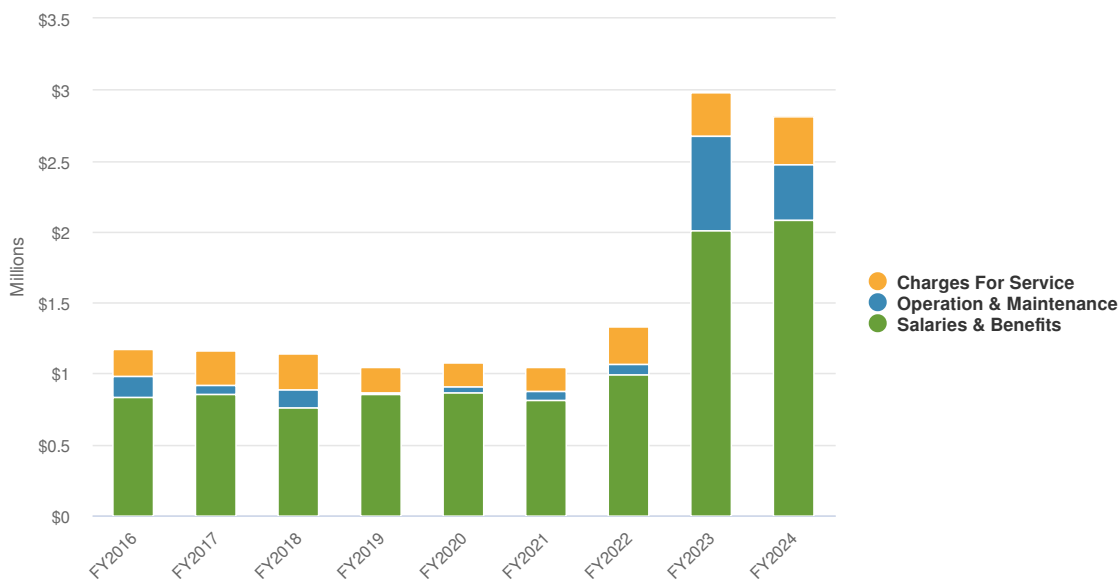
# Planning & Zoning

## Mission

The Planning Division of the Community Development Department operates to assist citizens, businesses, and City departments in managing land to insure that land use complies with the General Plan and Zoning regulations and meets the needs of the City and its citizens. The Planning Division does this by maintaining records of zoning districts, subdivision maps, site plans, conditional use permits, etc. The Division also coordinates with the Planning Commission to process and review site plans and subdivision maps and approves land use and other zoning applications. In addition, the Division works with the Planning Commission and City Council to modify and update the City's General Plan and Zoning Ordinance. The General Plan, which defines the long-range goals and intentions regarding the nature and direction of future development within the City, contains elements on land use, transportation, park and recreational facilities, urban design, and housing as well as details regarding the City's zoning districts.

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type

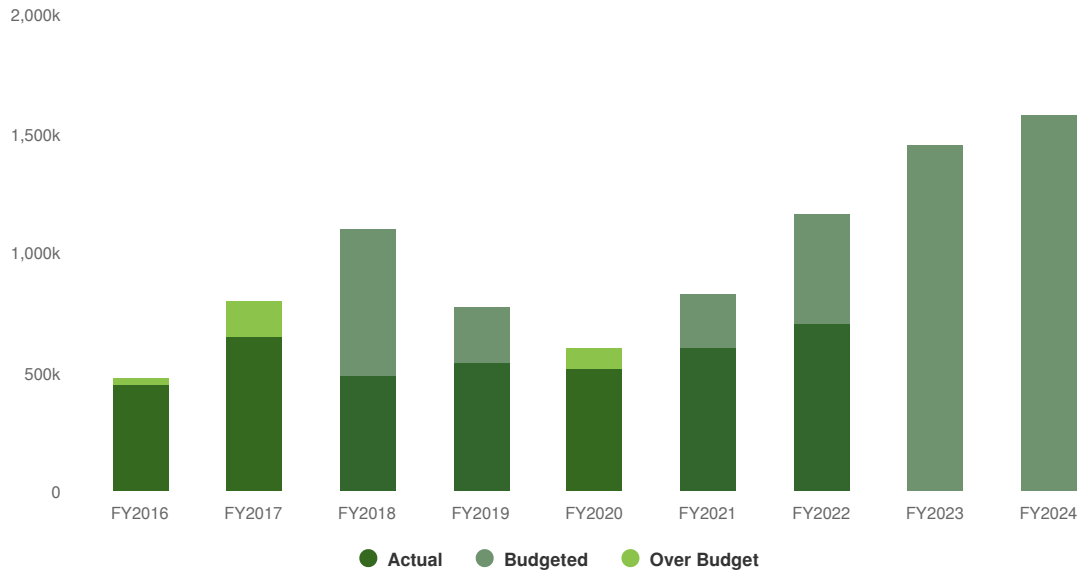


Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$991,720.91	\$2,010,480.00	\$2,088,210.00	3.9%
Operation & Maintenance	\$76,118.72	\$662,930.00	\$391,360.00	-41%
Charges For Service	\$260,857.00	\$311,870.00	\$331,890.00	6.4%
<b>Total Expense Objects:</b>	<b>\$1,328,696.63</b>	<b>\$2,985,280.00</b>	<b>\$2,811,460.00</b>	<b>-5.8%</b>

## Revenues Summary

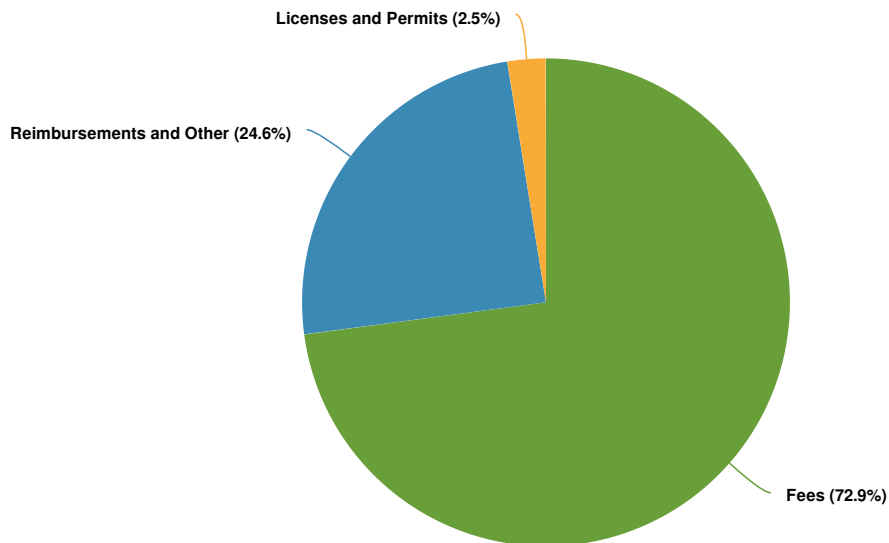
**\$1,579,600** **\$127,090**  
(8.75% vs. prior year)

### Planning & Zoning Proposed and Historical Budget vs. Actual



## Revenues by Source

### Projected 2024 Revenues by Source



## **Personnel Allocation**

	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
Assistant City Manager	1.00	-	1.00
Assistant Community Development Director	1.00	-	1.00
Planning Manager (Unfunded)	1.00	-	1.00
Principal Planner	1.00	1.00	2.00
Cannabis Coordinator	1.00	-	1.00
Senior Planner (Unfunded)	1.00	-	1.00
Associate Planner	2.00	-	2.00
Assistant Planner	1.00	-	1.00
Community Development Technician I (1 Unfunded)	2.00	-	2.00
Administrative Assistant	1.00	-	1.00
Total	<b>12.00</b>	<b>1.00</b>	<b>13.00</b>

## **FY 2022 - 23 Accomplishments**

- Completed the City of Lake Elsinore 2021-2029 6<sup>th</sup> Cycle Housing Element
- Updated the General Plan Safety Element and a new Environmental Justice Element to the General Plan
- Submitted Housing Element Annual Report
- Submitted Water Efficient Landscaping Annual Report
- Worked cooperatively with Economic Development Coalition, County Economic Development Agency, Lake Elsinore Chamber of Commerce
- Commenced the General Plan Update
- Updated the City's SCAG 2050 Housing and Employment Forecast
- Completed processing key development projects including: North Elsinore Business Park, Bamiyan Marketplace, Corydon III, Mason Motorsports, Dutch Bros Coffee, Terracina Residential, and Imperial Stations



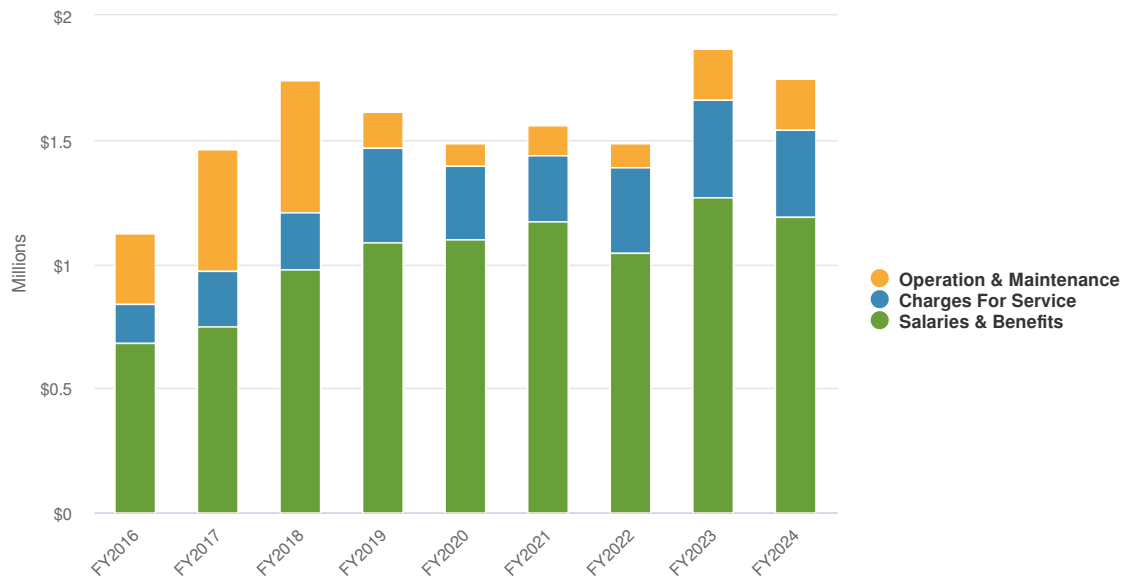
# Building & Safety

## Mission

The Building and Safety Department provides quality service to the community in a manner that is courteous, efficient and knowledgeable. They continue their commitment to excellent public safety and quality of life by building strong partnerships with the residents, businesses, and the ever developing community. They continually strive to improve their services through innovative programming, technology, and the enforcement of the highest standards of safety.

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type

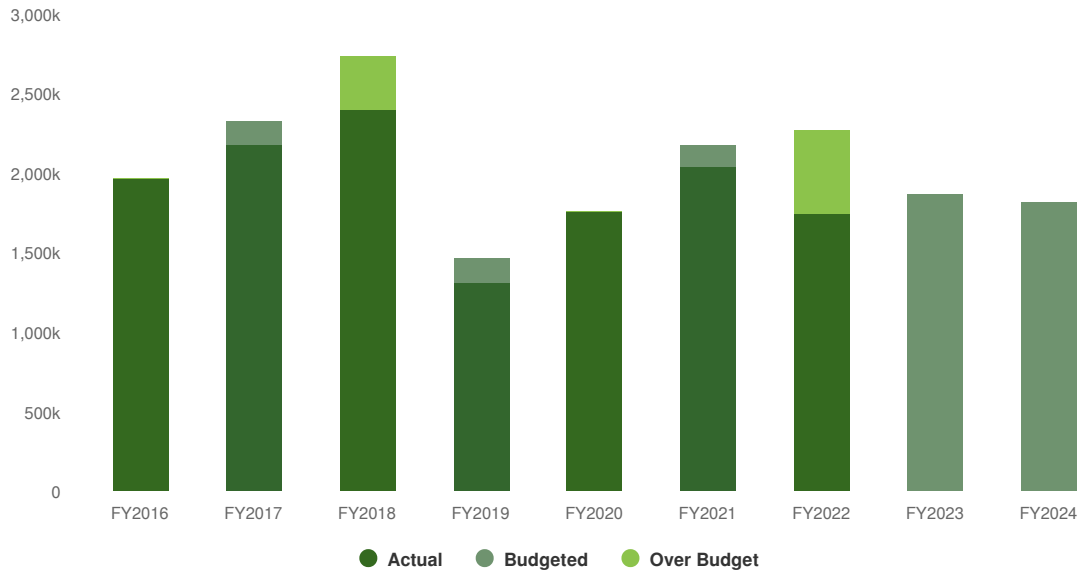


Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$1,044,137.75	\$1,267,790.00	\$1,189,920.00	-6.1%
Operation & Maintenance	\$96,700.40	\$203,850.00	\$203,850.00	0%
Charges For Service	\$345,918.00	\$393,040.00	\$352,590.00	-10.3%
<b>Total Expense Objects:</b>	<b>\$1,486,756.15</b>	<b>\$1,864,680.00</b>	<b>\$1,746,360.00</b>	<b>-6.3%</b>

## Revenues Summary

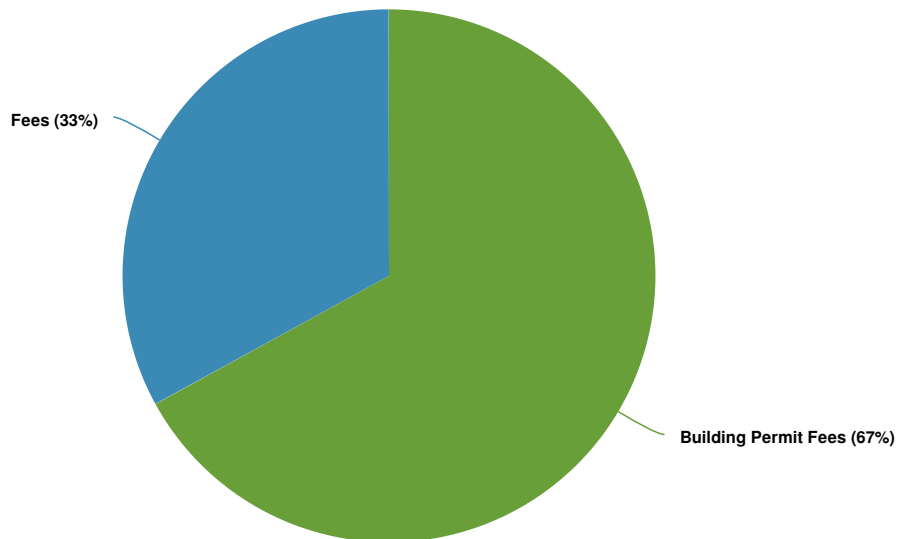
**\$1,820,430** **-\$50,460**  
(-2.70% vs. prior year)

### Building & Safety Proposed and Historical Budget vs. Actual



## Revenues by Source

### Projected 2024 Revenues by Source



### **Personnel Allocation**

	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
Building & Safety Manager	1.00	-	1.00
Senior Community Development Technician	1.00	-	1.00
Building Inspector	2.00	-	2.00
Community Development Technician I	2.00	-	2.00
Administrative Assistant	1.00	-	1.00
Total	<b>7.00</b>	<b>-</b>	<b>7.00</b>

### **FY 2022 - 23 Accomplishments**

- Increased staff levels at counter assistance with a counter technician
- Maintaining Laser fiche scanning of Building Plans and Permits.
- Receivership program in full operation.
- Updated staff with the latest technology and computer systems.
- IG inspect and Energov upgrades and training
- Electronic permitting and plan checking complete

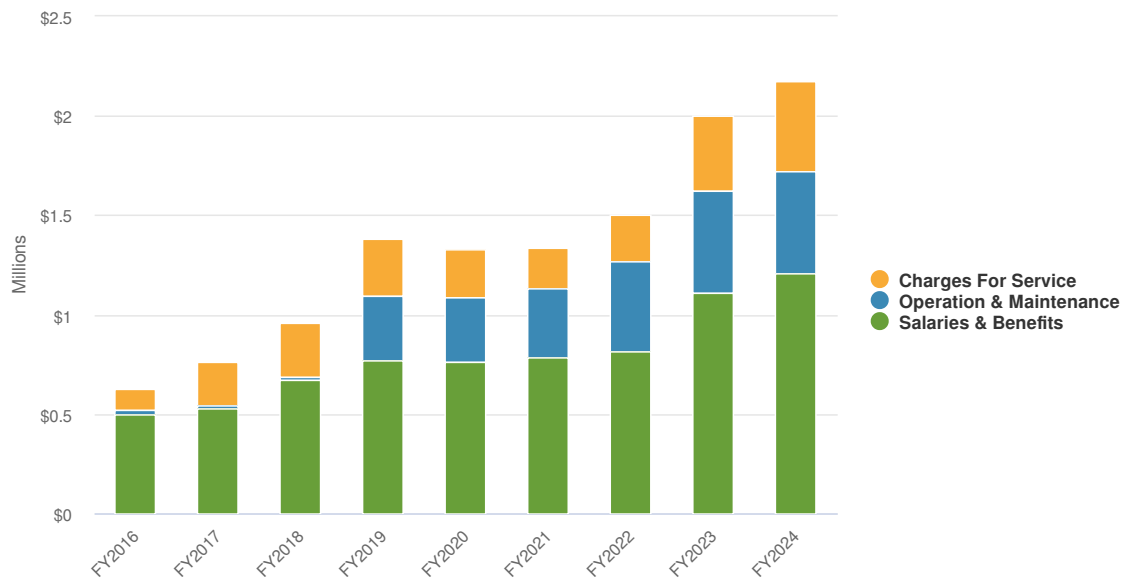
# Code Enforcement

## Mission

The Code Enforcement Division is dedicated to enhancing the quality of life in the City of Lake Elsinore through public awareness, education and fair and impartial enforcement of City and State Codes. Their dedicated, enthusiastic, professionally trained officers are committed to serving the community.

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type

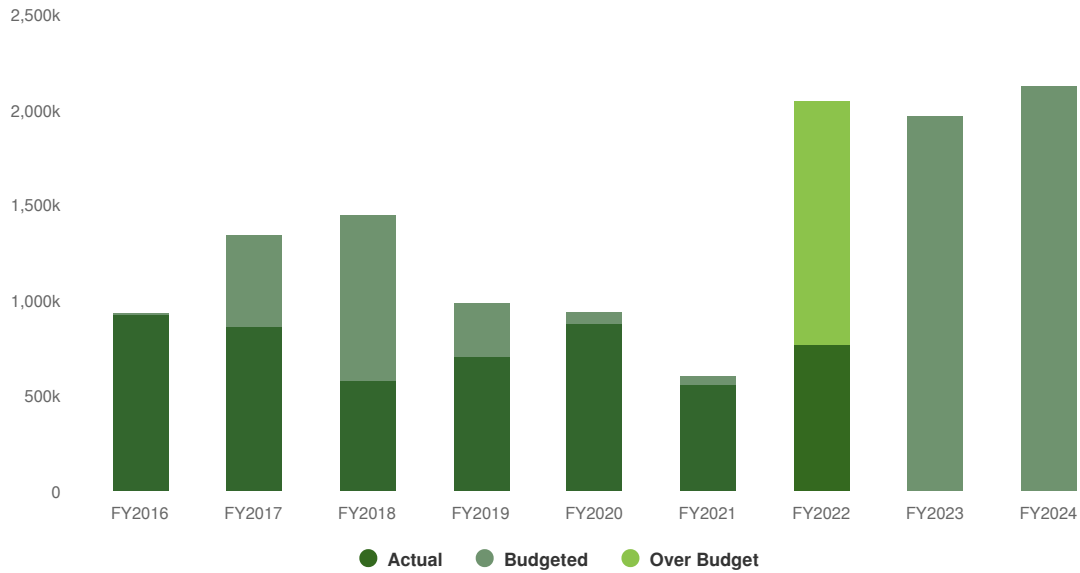


Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$816,639.11	\$1,112,890.00	\$1,208,690.00	8.6%
Operation & Maintenance	\$452,153.63	\$508,500.00	\$516,000.00	1.5%
Charges For Service	\$232,351.00	\$376,580.00	\$451,720.00	20%
<b>Total Expense Objects:</b>	<b>\$1,501,143.74</b>	<b>\$1,997,970.00</b>	<b>\$2,176,410.00</b>	<b>8.9%</b>

## Revenues Summary

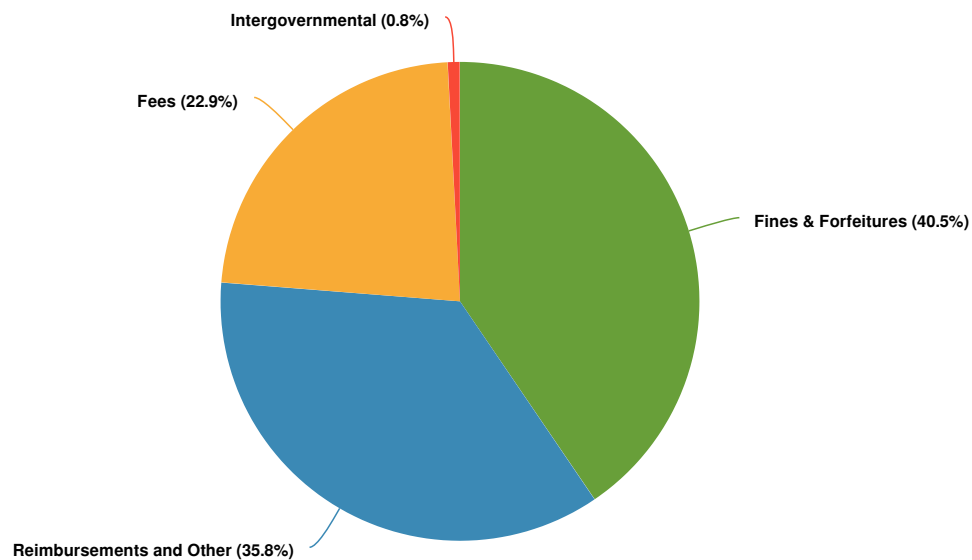
**\$2,124,880** **\$160,580**  
(8.17% vs. prior year)

### Code Enforcement Proposed and Historical Budget vs. Actual



## Revenues by Source

### Projected 2024 Revenues by Source



### **Personnel Allocation**

	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
Code Enforcement Manager	1.00	-	1.00
Code Enforcement Supervisor	1.00	-	1.00
Code Enforcement Officer II (1 Unfunded)	3.00	-	3.00
Code Enforcement Officer I	2.00	-	2.00
Parking Enforcement Officer - PT (Unfunded)	1.00	-	1.00
Community Development Technician I	1.00	-	1.00
Total	<b>9.00</b>	<b>-</b>	<b>9.00</b>

### **FY 2022 - 23 Accomplishments**

- All Officers certified through the Code Officers Safety Foundation (SB 296).
- Received the inaugural Jill Robinson Officer Safety Award from the Code Officers Safety Foundation
- Proactive approach to transient camp nuisance abatement
- Continued to work as part of a regional task force to address transient issues within the City
- Successfully utilized the City Prosecutors office to abate nuisance properties through receivership
- Successful cost recovery of over \$75,000 in nuisance abatement cases
- New graffiti truck put in service
- Graffiti is removed within 24 hours of reporting
- Promoted a Code Enforcement Officer to Supervisor
- Added an additional Code Enforcement Officer

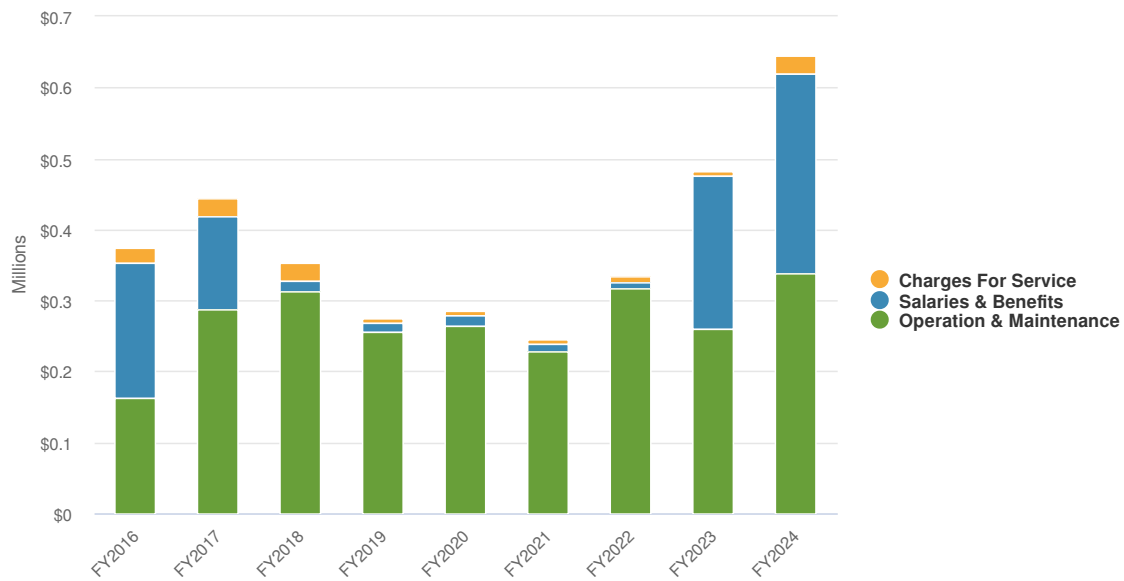
# Economic Development

## Mission

Economic development is about building healthy economies in order to have healthy communities. Lake Elsinore is one of the fastest growing cities in California today. Easy access to major freeways, available industrial and commercial land, a quality labor force of both skilled and semi-skilled workers and an economic philosophy of assisting local businesses for future growth are among the features that make Lake Elsinore attractive to industry.

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$8,521.66	\$215,460.00	\$282,050.00	30.9%
Operation & Maintenance	\$317,326.36	\$260,000.00	\$338,330.00	30.1%
Charges For Service	\$8,678.00	\$7,670.00	\$23,790.00	210.2%
<b>Total Expense Objects:</b>	<b>\$334,526.02</b>	<b>\$483,130.00</b>	<b>\$644,170.00</b>	<b>33.3%</b>



### **Personnel Allocation**

	AUTHORIZED FY22-23	CHANGES	AUTHORIZED FY23-24
Economic Development Manager	1.00	-	1.00
Management Analyst	1.00	-	1.00
Total	2.00	-	2.00

### **FY 2022 - 23 Accomplishments**

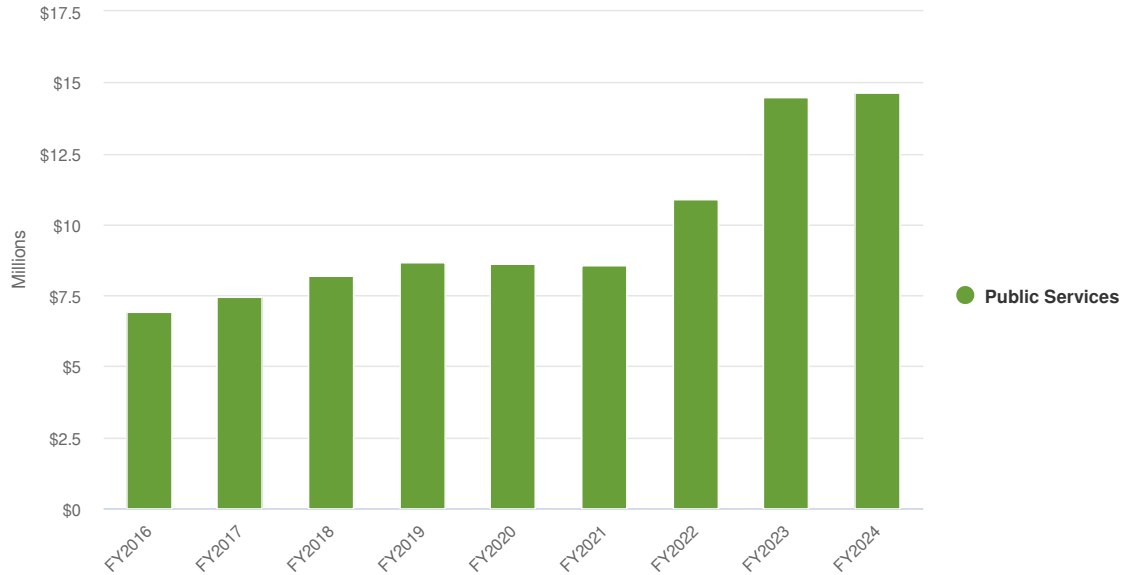
- Prepared a multi-year forecast to project population, housing, and employment growth through the year 2045.
- Completed a void analysis to determine retail market segment opportunities for the City of Lake Elsinore.
- Prepared a comprehensive list of retail recruitment targets for the City of Lake Elsinore.
- Coordinated with area communities through the EDCSWCA to conduct a FAM tour, which introduced multiple commercial/industrial site selectors from around the country to the Greater Temecula Valley area.
- Created a demographic profile report used in recruitment and economic development marketing packages.

## Public Services

Public Services are comprised of Engineering, Public Works - Administration, Park Maintenance, and Lake Maintenance.

### Expenditures by Function

#### Budgeted and Historical Expenditures by Function



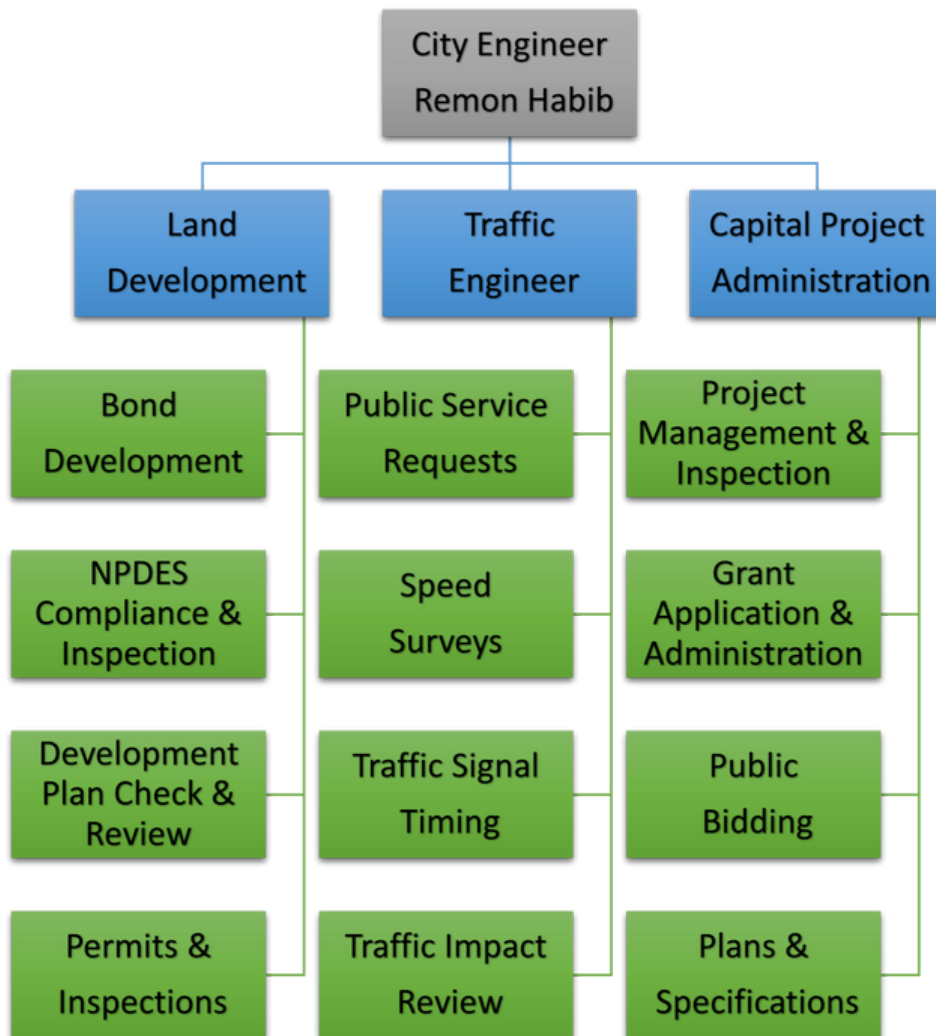
Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expenditures				
Public Services				
Engineering	\$2,925,212.07	\$4,358,980.00	\$3,950,420.00	-9.4%
Administration - Public Works	\$3,826,191.12	\$5,120,260.00	\$5,257,650.00	2.7%
Park Maintenance	\$2,941,157.76	\$3,650,350.00	\$4,061,510.00	11.3%
Lake Maintenance	\$1,203,235.51	\$1,343,870.00	\$1,371,520.00	2.1%
<b>Total Public Services:</b>	<b>\$10,895,796.46</b>	<b>\$14,473,460.00</b>	<b>\$14,641,100.00</b>	<b>1.2%</b>
<b>Total Expenditures:</b>	<b>\$10,895,796.46</b>	<b>\$14,473,460.00</b>	<b>\$14,641,100.00</b>	<b>1.2%</b>

# Engineering

## Mission

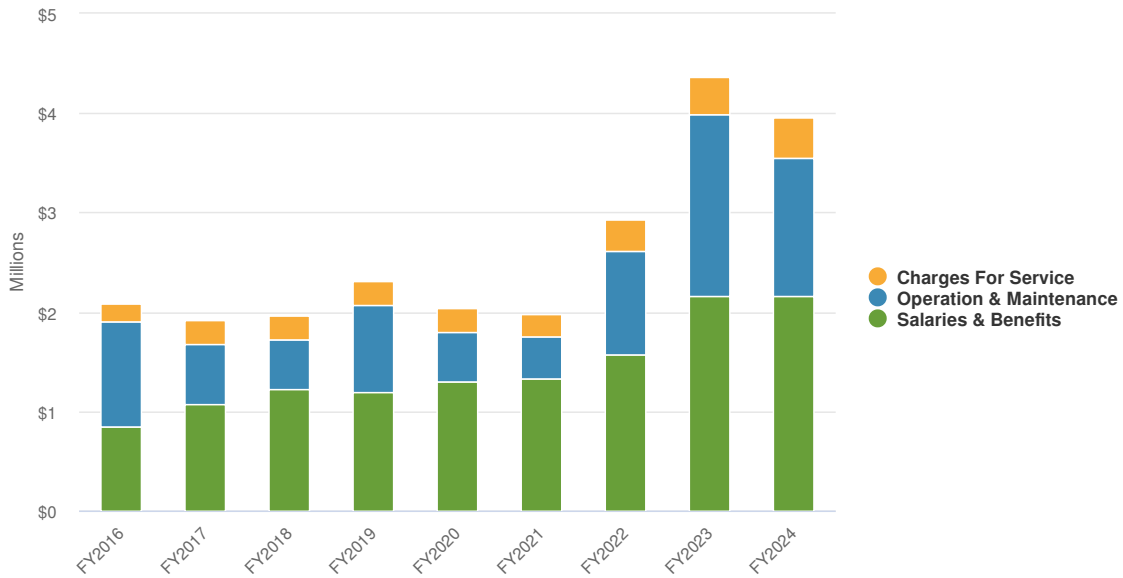
The Engineering Division is responsible for the development of public infrastructure and all physical improvements within the public right-of-way. These improvements include the development of public streets (roadways, curbs, gutters and sidewalks), traffic controls including signals, striping, signage and storm drains. The Department provides public counter support, development review for grading, drainage and traffic issues, and timely inspections of Capital Improvement and Private Development projects.

## Organizational Chart



# Expenditures by Expense Type

## Budgeted and Historical Expenditures by Expense Type

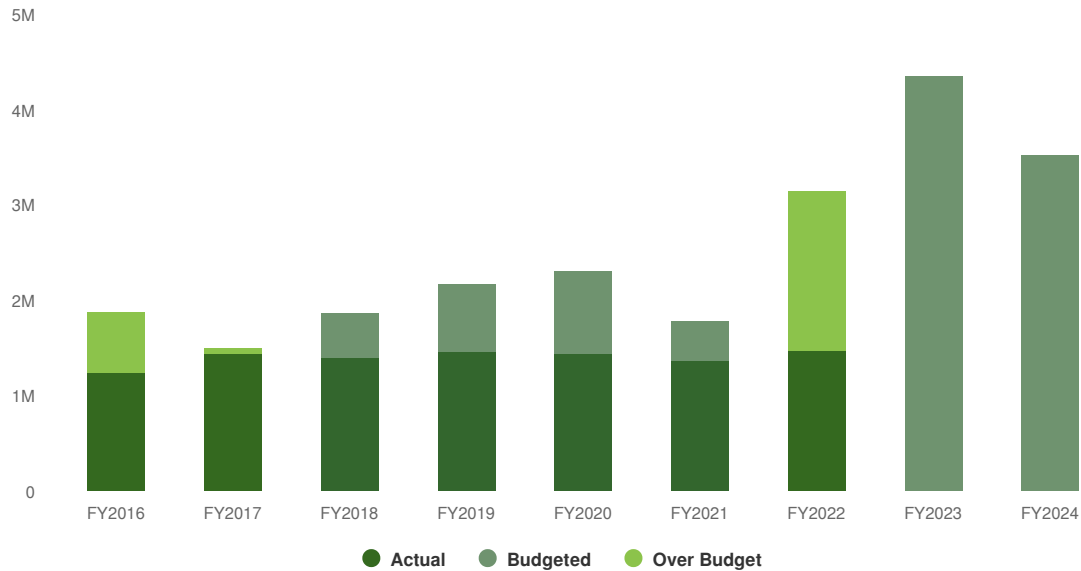


Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$1,572,513.36	\$2,155,020.00	\$2,162,160.00	0.3%
Operation & Maintenance	\$1,035,859.71	\$1,828,890.00	\$1,394,790.00	-23.7%
Charges For Service	\$316,839.00	\$375,070.00	\$393,470.00	4.9%
<b>Total Expense Objects:</b>	<b>\$2,925,212.07</b>	<b>\$4,358,980.00</b>	<b>\$3,950,420.00</b>	<b>-9.4%</b>

## Revenues Summary

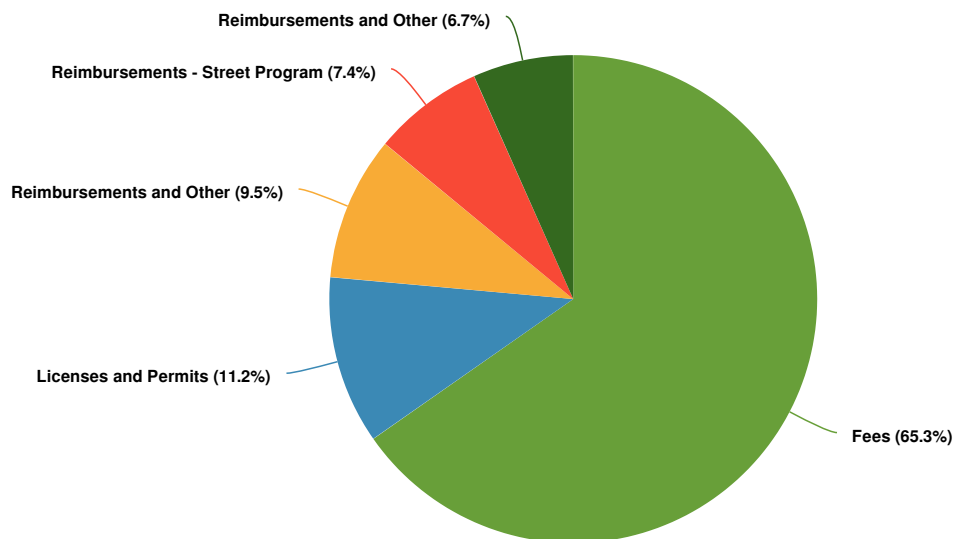
**\$3,524,140** **-\$834,880**  
(-19.15% vs. prior year)

### Engineering Proposed and Historical Budget vs. Actual



## Revenues by Source

### Projected 2024 Revenues by Source



## **Personnel Allocation**

	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
City Engineer	1.00	-	1.00
City Traffic Engineer	1.00	-	1.00
Senior Civil Engineer (1 Unfunded)	2.00	-	2.00
Land Development Engineer	1.00	-	1.00
CIP Engineer	1.00	-	1.00
Associate Engineer (Unfunded)	1.00	-	1.00
Senior Construction Inspector	1.00	-	1.00
Assistant Engineer	1.00	-	1.00
Engineering Inspector (1 Unfunded)	2.00	-	2.00
CIP Specialist	1.00	-	1.00
Engineering Technician I	1.00	-	1.00
Administrative Assistant	1.00	-	1.00
<b>Total</b>	<b>14.00</b>	<b>-</b>	<b>14.00</b>

## **FY 2022 - 23 Accomplishments**

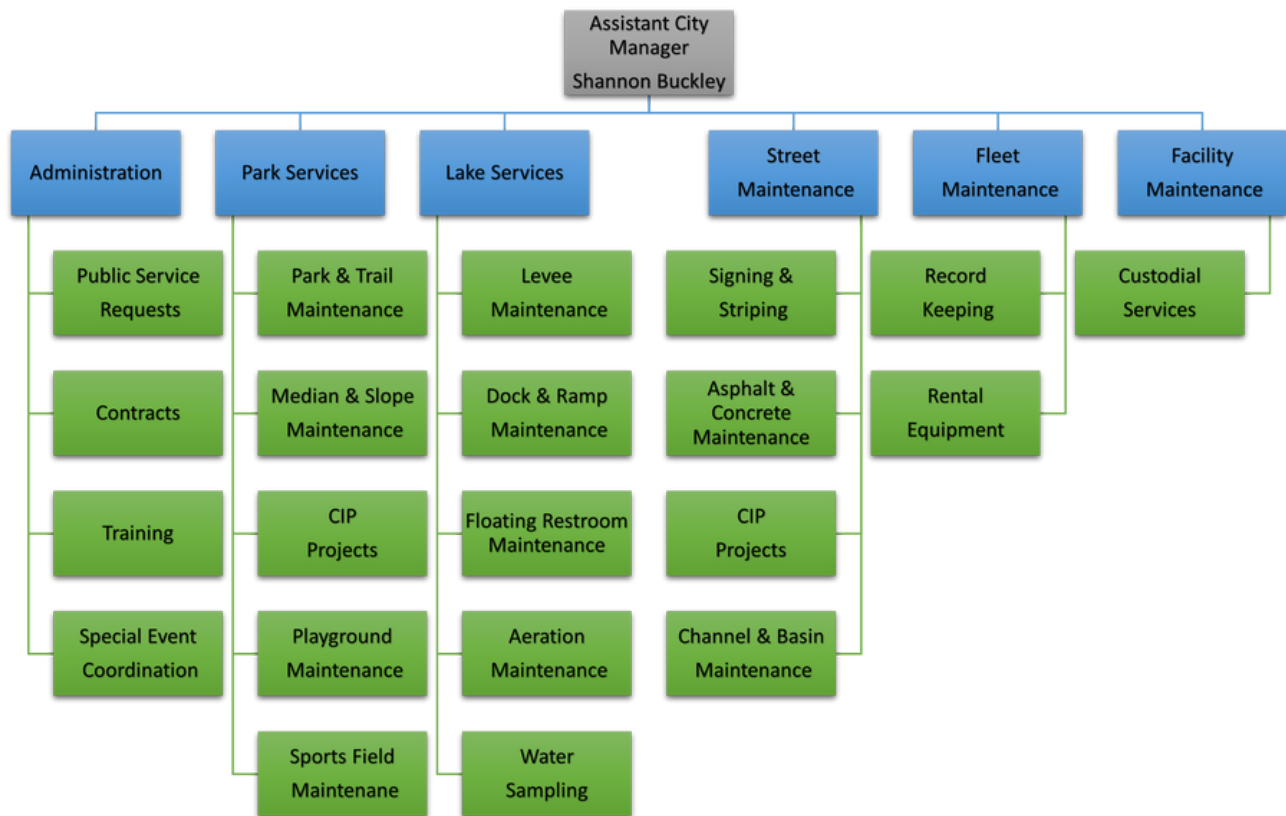
- I-15 Main Street Interchange Improvement Project continued construction.
- Started design phase for Main Street Pedestrian Safety , Pavement Rehabilitation, & IT Infrastructure Improvements Project.
- Started design phase for I-15 /Main Street Interchange Landscape Project.
- Started design phase for Riverside Drive (SR-74) at Gunnerson Street/Strickland Avenue Intersection Signal Installation Project.
- Secured HSIP Cycle 11 Funding for Citywide Pedestrian Crosswalk Enhancements Project.
- Started preparing the Local Roadway Safety Plan (LRSP) for the City.
- Started preparing the new Transportation Impact Fee (TIF) Study for the City.
- SB 821 Downtown Sidewalk and Bicycle Lane Project under construction.
- SB 821 Lakeshore Drive Sidewalk Improvement Project in final design
- Completed the Downtown Pavement Rehabilitation SB-1 Project
- Completed the Active Transportation Connections and Green Streets Project at Spring Street
- Completed construction Collier/Minthorn & La Laguna Local Streets Pavement Rehabilitation Project
- Completed requirements of the NPDES and FEMA annual reporting process.
- Secured Grant Funding for Tire Amnesty Recycling, Beverage Recycling & Litter Cleanup
- Secured funding and started final design phase for I-15 Franklin Street Interchange
- Started I-15 Nichols Road Interchange Project Study Report Phase
- Started overall update to Engineering Standards and Design Manual
- Started the process of relinquishment of SR 74/Riverside Drive

# Public Works

## Mission

The mission of the Public Works Department is to provide high-quality, responsive and cost-effective engineering and operational services that support current and future infrastructure and circulation improvements, public safety, and environmental assets within the City of Lake Elsinore. This is accomplished through oversight of private and public improvement projects, maintenance of the City's public roadways and bike lanes, street lighting, traffic systems, sidewalks, public landscaping, graffiti control, and drainage facilities, implementation and regulation of water quality, pollution prevention and flood damage prevention measures designed for the protection of life, property, water courses and lake in the City. The measures include enforcement of higher construction standards, street sweeping, solid waste management, and recycling programs, public emergency response training, and responding to and aiding in recovery from earthquakes, storms and other emergencies.

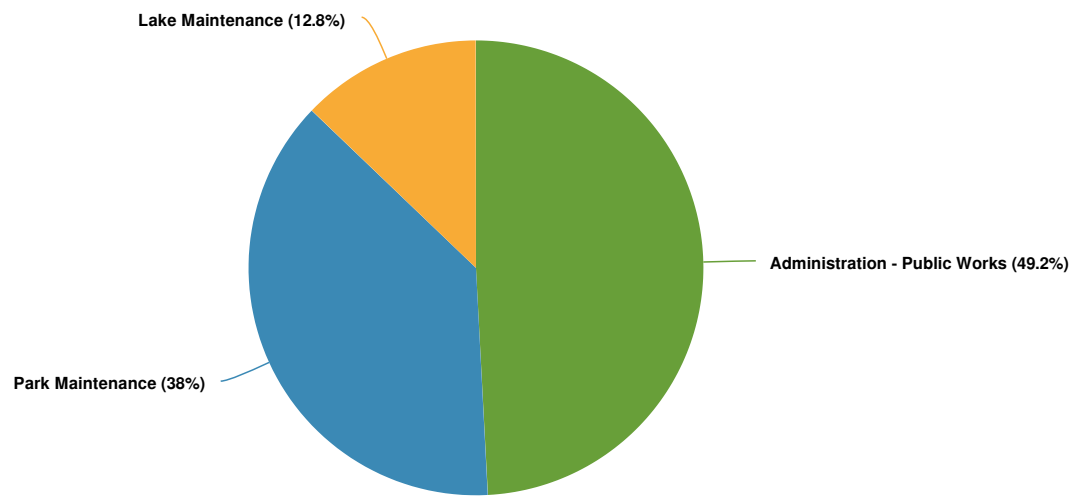
## Organizational Chart



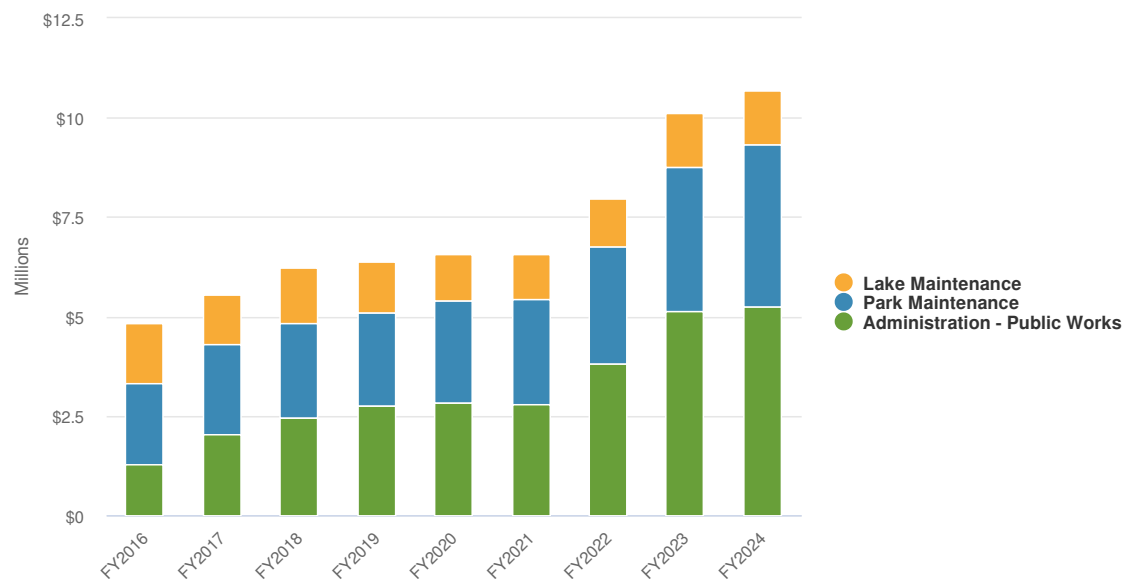


# Expenditures by Function

## Budgeted Expenditures by Function



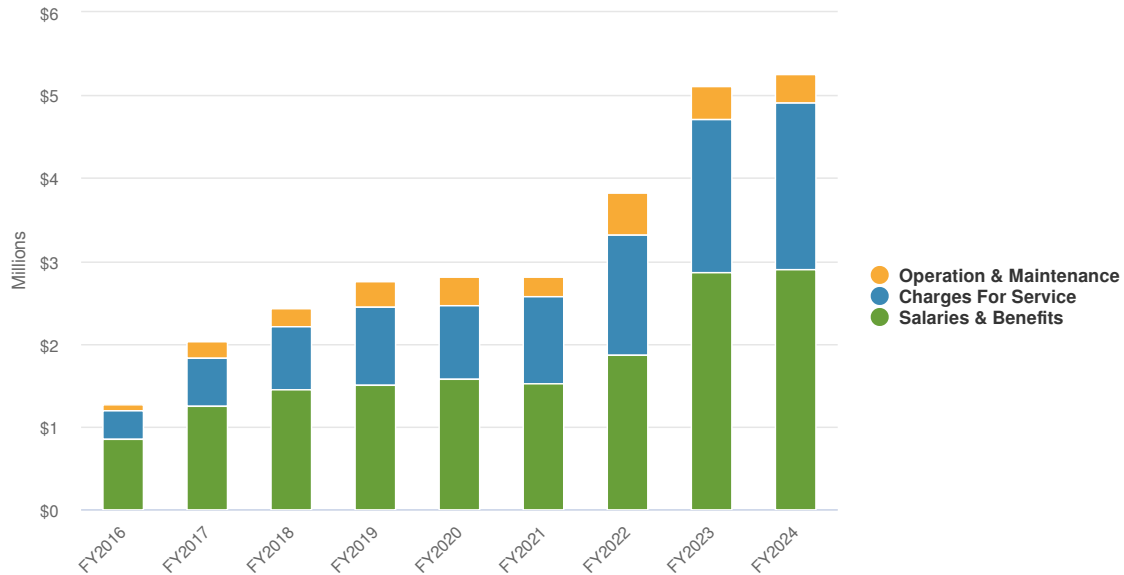
## Budgeted and Historical Expenditures by Function



## Administration - Public Works

### Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$1,861,054.59	\$2,866,110.00	\$2,892,490.00	0.9%
Operation & Maintenance	\$514,927.53	\$399,210.00	\$342,600.00	-14.2%
Charges For Service	\$1,450,209.00	\$1,854,940.00	\$2,022,560.00	9%
<b>Total Expense Objects:</b>	<b>\$3,826,191.12</b>	<b>\$5,120,260.00</b>	<b>\$5,257,650.00</b>	<b>2.7%</b>

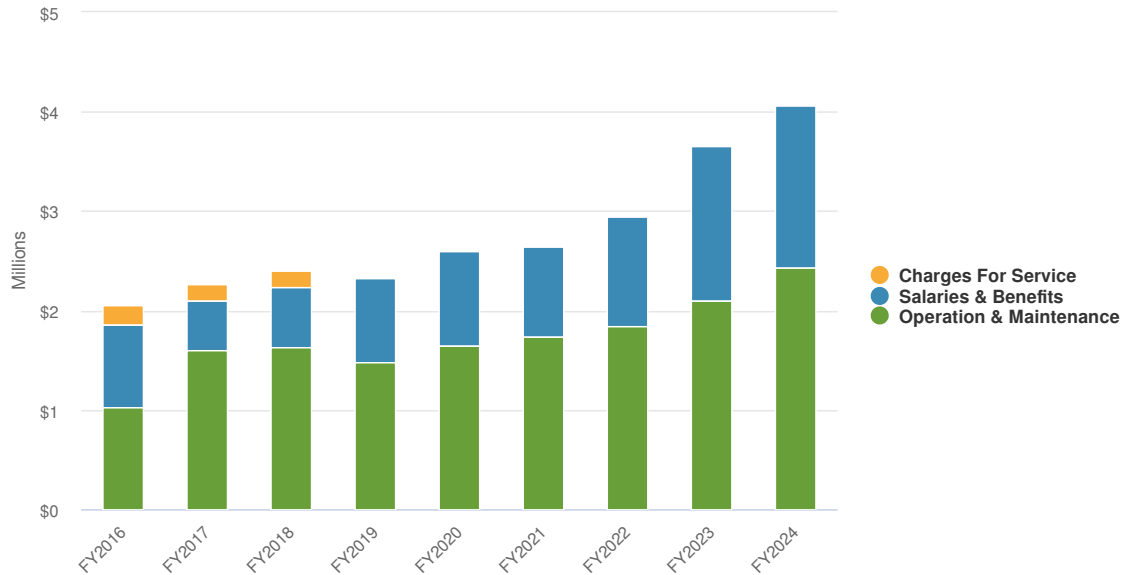
**Personnel Allocation**

	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
Public Works Manager	1.00	-	1.00
Public Works Superintendent	1.00	-	1.00
Management Analyst	1.00	-	1.00
Public Works Supervisor	1.00	-	1.00
Public Works Inspector	1.00	-	1.00
Lead Worker	1.00	-	1.00
Maintenance Worker III	2.00	-	2.00
Maintenance Worker II	3.00	-	3.00
Maintenance Worker I	7.00	-	7.00
Account Specialist II	1.00	-	1.00
Administrative Assistant	1.00	-	1.00
Total	<b>20.00</b>	<b>-</b>	<b>20.00</b>

# Park Maintenance

## Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$1,098,222.90	\$1,551,850.00	\$1,634,330.00	5.3%
Operation & Maintenance	\$1,842,934.86	\$2,098,500.00	\$2,427,180.00	15.7%
<b>Total Expense Objects:</b>	<b>\$2,941,157.76</b>	<b>\$3,650,350.00</b>	<b>\$4,061,510.00</b>	<b>11.3%</b>

## **Personnel Allocation**

	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
Public Works Supervisor	1.00	-	1.00
Lead Worker	1.00	-	1.00
Maintenance Worker III	1.00	-	1.00
Maintenance Worker II	6.00	-	6.00
Maintenance Worker I	3.00	-	3.00
Total	<b>12.00</b>	<b>-</b>	<b>12.00</b>

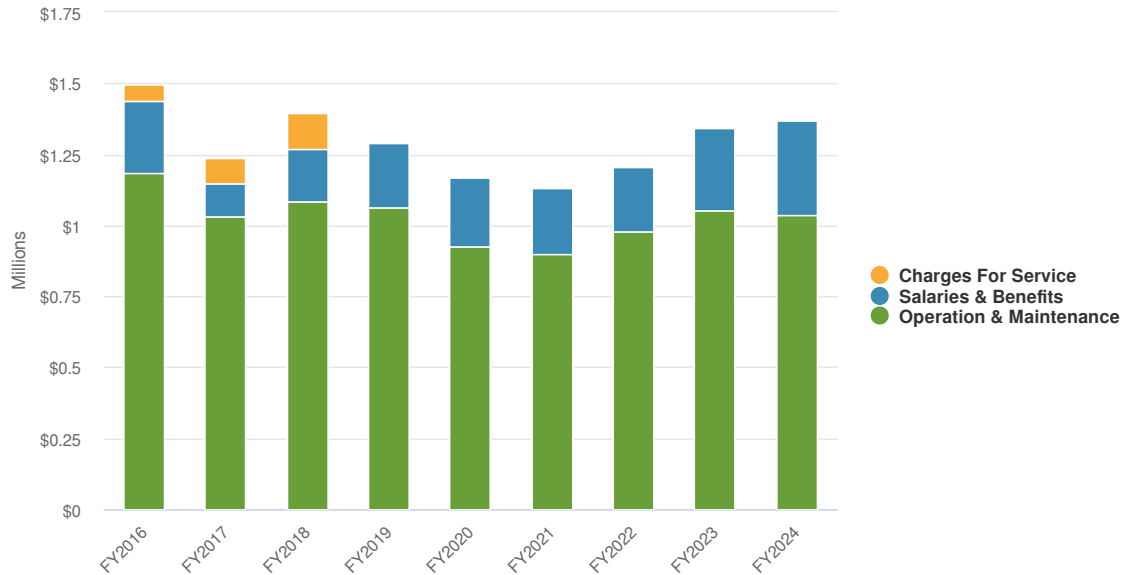
## **FY 2022 - 23 Accomplishments**

- McVicker Park
  - New shade structures installed at McVicker Park over bleachers, new bleachers were installed to replace the old and the shade structures were replaced by the snack bar.
  - Scoreboard were replaced
  - Drinking fountains were replaced by the snack bar and in the dog park at McVicker Park.
  - New home run netting is being installed around the upper baseball field.
- Lincoln Street Park
  - New landscaping is being designed for Lincoln Street
- Summerlake Park
  - A shade structure was replaced by the playground
  - 25 Replaced Vandalized Shade Structure
- Tuscany Hills Park
  - A new shade structure was installed for the T-ball field
  - Tuscany Park restrooms were renovated and new stainless steel fixtures and partitions were installed
  - LED Parking Lot lighting upgrades to the North parking lot (no pictures)
  - Tuscany Hills Estates on Via De La Valle – Landscape Renovations has begun
- Canyon Hills Park
  - Scoreboards were replaced in Canyon Hills baseball fields
  - Artificial Turf is being installed at the Football & Soccer Fields
  - New Solar lighting added to the large dog park
  - Storage box, Bleachers and Cement Walkway from Piedmont
- Rosetta Canyon Park
  - New Playground Surfacing
  - Replaced Drinking Fountains
- Alberhill Park
  - Drinking Fountains Replaced
- Machado Park
  - Lights at Machado Park
  - Re-paved Parking Lots with ADA Ramps
- Serenity Park
  - Commencement of Fitness Trail Renovations
  - New Parking Lot Gate

# Lake Maintenance

## Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$222,642.28	\$292,100.00	\$334,620.00	14.6%
Operation & Maintenance	\$980,593.23	\$1,051,770.00	\$1,036,900.00	-1.4%
<b>Total Expense Objects:</b>	<b>\$1,203,235.51</b>	<b>\$1,343,870.00</b>	<b>\$1,371,520.00</b>	<b>2.1%</b>

### **Personnel Allocation**

	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
Maintenance Worker II	2.00	-	2.00
Total	<b>2.00</b>	-	<b>2.00</b>

### **FY 2022 - 23 Accomplishments**

- Launch Poiinte
  - New shade structures installed
  - New line delineators installed
  - Lake testing
- Whiskers Beach
  - Upgraded planters and curbs
- Levee
  - New gate installed at entrance to prevent washouts
- Cereal Street
  - New gate installed to limit access to the Wetlands.

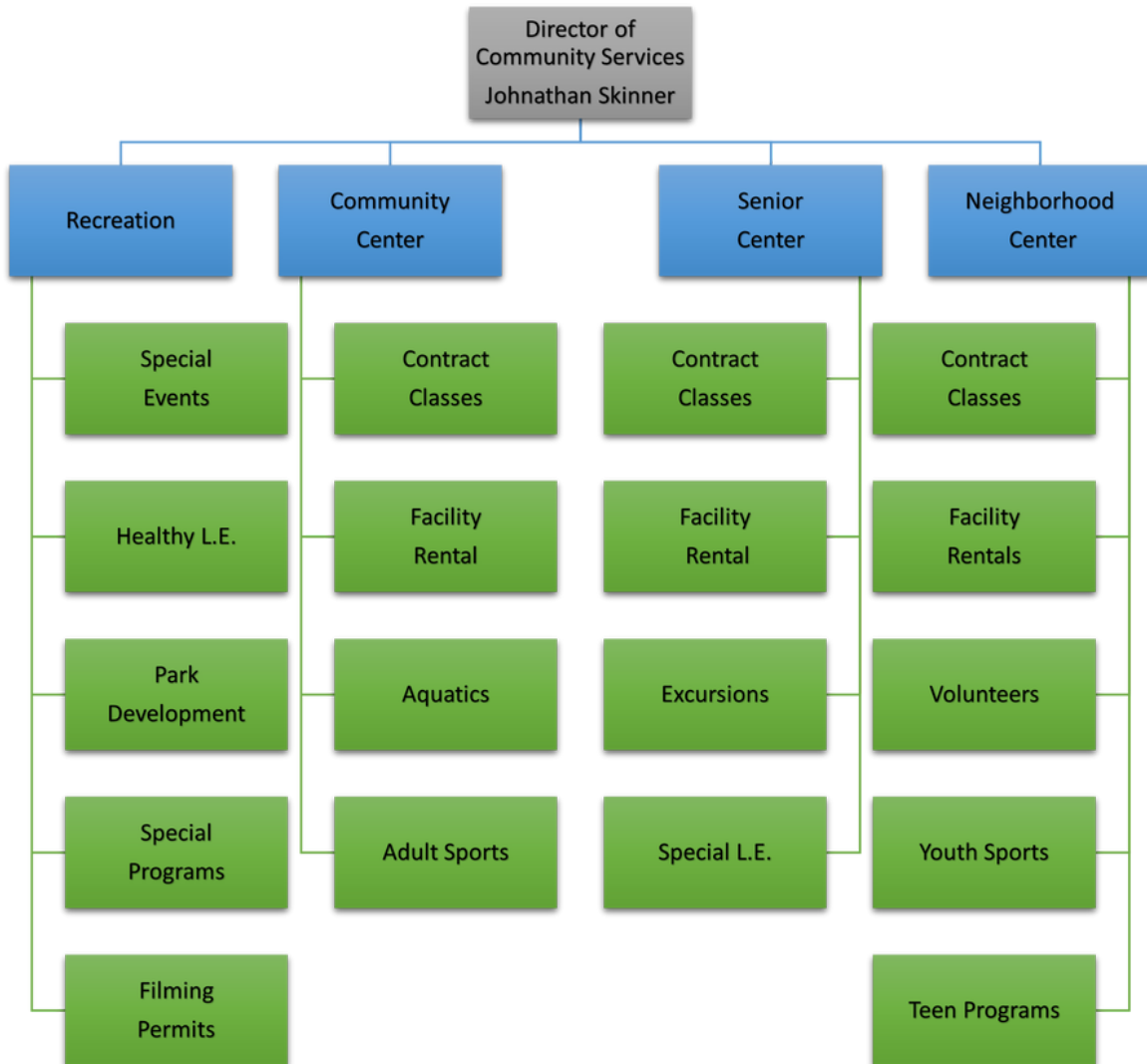


# Community Services

## Mission

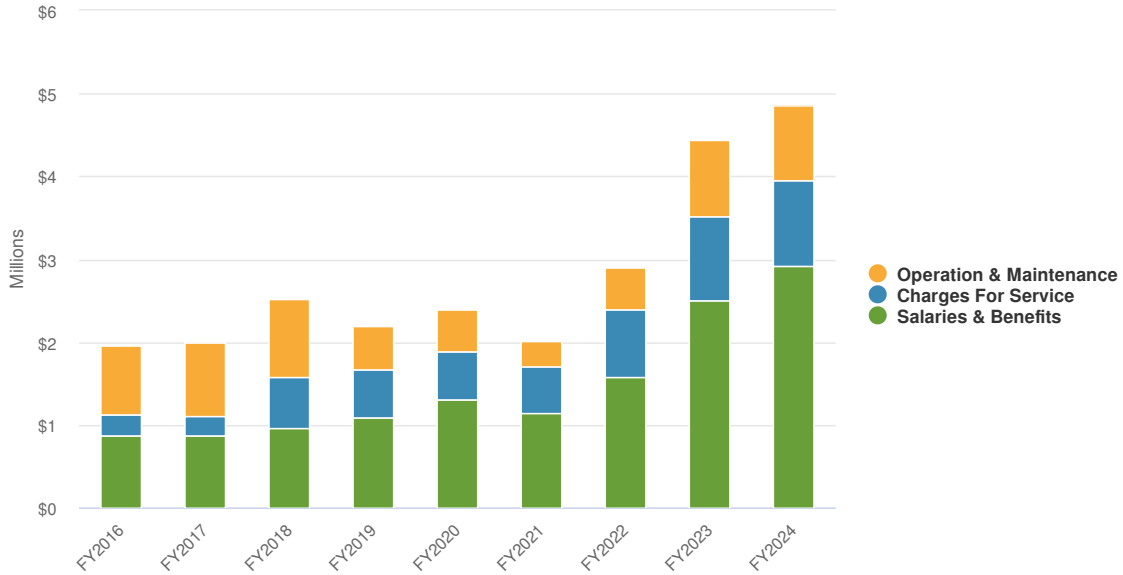
The Community Services Department provides a variety of programs that educate, entertain, and enrich the community. The Department delivers exceptional special events for the entire family. Arranges for services and programs that are needed by those with special needs, teens, and seniors. Provides professional leadership through recreational programs, services, and events that enhance the quality of life in the community.

## Organizational Chart



# Expenditures by Expense Type

## Budgeted and Historical Expenditures by Expense Type

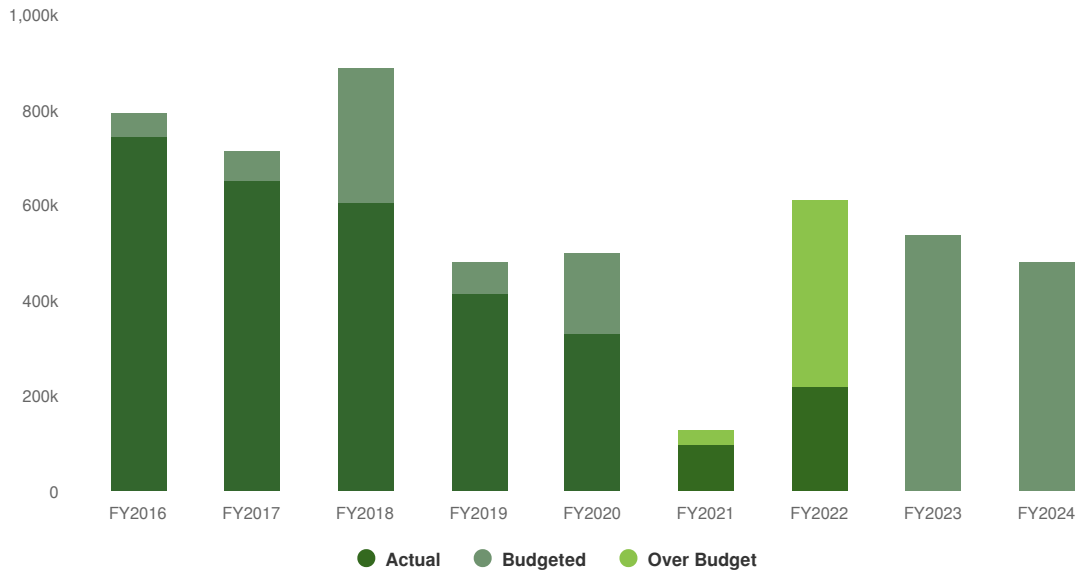


Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$1,569,969.56	\$2,498,080.00	\$2,924,670.00	17.1%
Operation & Maintenance	\$507,505.43	\$920,820.00	\$906,600.00	-1.5%
Charges For Service	\$817,947.00	\$1,026,780.00	\$1,027,180.00	0%
<b>Total Expense Objects:</b>	<b>\$2,895,421.99</b>	<b>\$4,445,680.00</b>	<b>\$4,858,450.00</b>	<b>9.3%</b>

## Revenues Summary

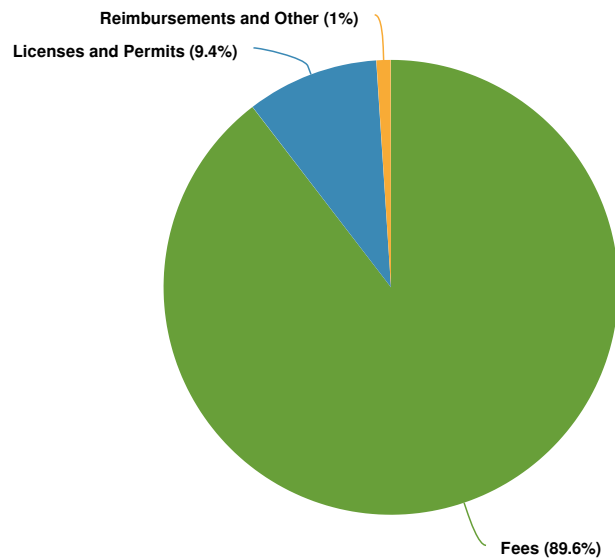
**\$479,780** **-\$57,060**  
(-10.63% vs. prior year)

### Community Services Proposed and Historical Budget vs. Actual



## Revenues by Source

### Projected 2024 Revenues by Source



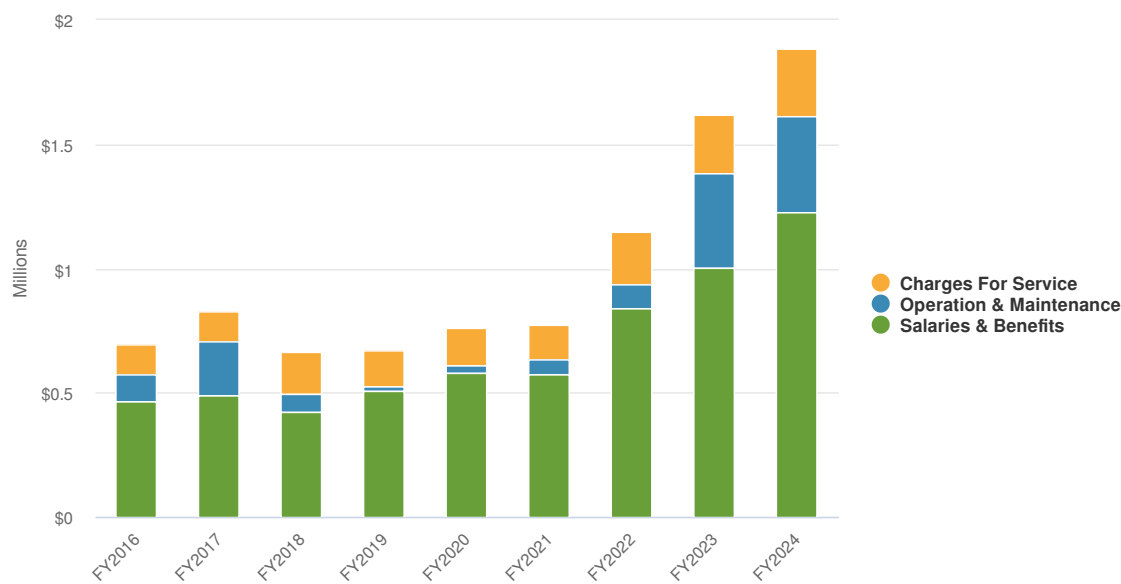
# Recreation

**Mission**

The City of Lake Elsinore strives to offer its residents quality and affordable programming for the young, the young at heart and for our four legged family members. The Recreation Division provides recreational programs and services year round for everyone's benefit.

## Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



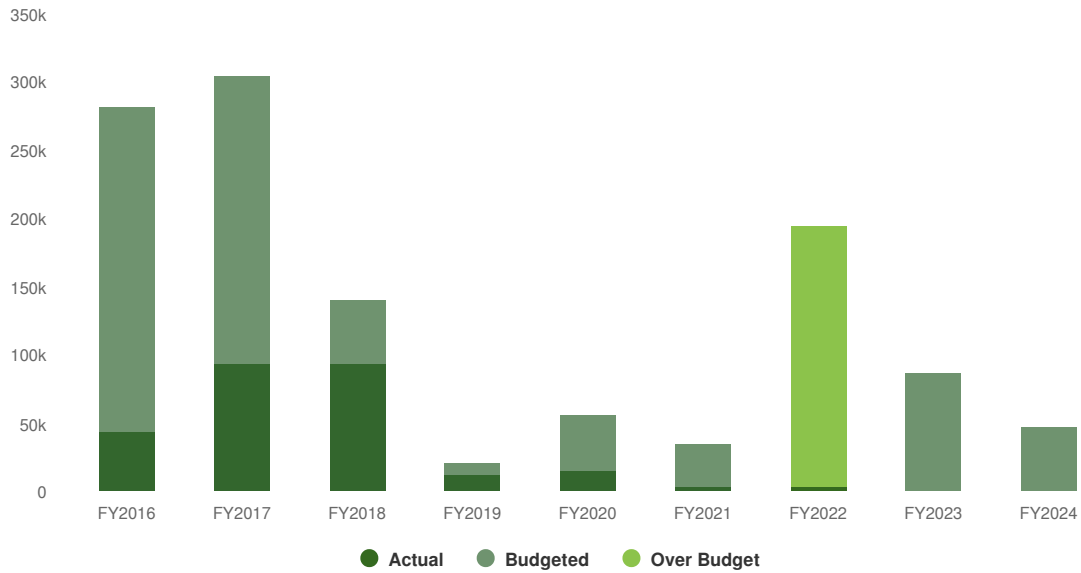
Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$837,265.33	\$1,001,410.00	\$1,227,770.00	22.6%
Operation & Maintenance	\$98,791.20	\$382,150.00	\$385,000.00	0.7%
Charges For Service	\$214,582.00	\$238,760.00	\$269,460.00	12.9%
Total Expense Objects:	\$1,150,638.53	\$1,622,320.00	\$1,882,230.00	16%



## Revenues Summary

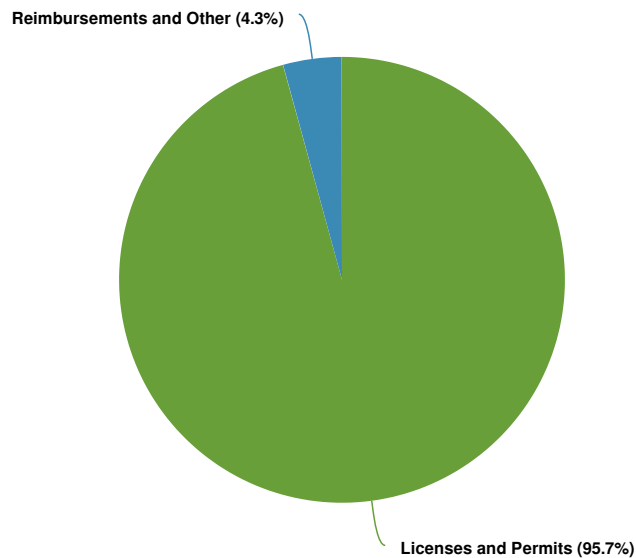
**\$47,000** **-\$40,450**  
(-46.26% vs. prior year)

### Recreation Proposed and Historical Budget vs. Actual



## Revenues by Source

### Projected 2024 Revenues by Source



## **Personnel Allocation**

	<b>AUTHORIZED</b>		<b>AUTHORIZED</b>
	<b>FY22-23</b>	<b>CHANGES</b>	<b>FY23-24</b>
Director of Community Services	1.00	-	1.00
Assistant Community Services Director	0.75	-	0.75
Special Events Manager	1.00	-	1.00
Management Analyst	1.00	-	1.00
Special Events Coordinator	1.00	-	1.00
Administrative Assistant	1.00	-	1.00
Project Assistant - PT	1.00	-	1.00
Total	<b>6.75</b>	<b>-</b>	<b>6.75</b>

## **FY 2022 - 23 Accomplishments**

- Helped guide the algae monitoring program and lake reopening, including communications with partner agencies, State and Regional Water Boards, and consultants, and strategized with colleagues and prepared communications pieces to announce the reopening of the lake.
- Managed contract with WSP (formerly Wood) on lake monitoring and Prop 1/Round 1 grant pilot studies, which included the "Dock Days" public relations event, all during an unprecedented algae bloom and 6-month lake closure.
- In partnership with SAWPA and AECOM, helped guide the revision of the \$3M Prop 1/Round 2 Algae Harvester pilot study grant application submission, which resulted in a proposed pilot study that increased public benefit of the project and removed many of the long-term burdens, commitment to purchasing equipment, and logistical issues that were of concerns in the original project design.
- Introduced the concept of bringing a Whitewater Adventure Park to Lake Elsinore, which would help to achieve many aspirations of the Dream Extreme 2040 Plan. After multiple presentations with industry experts, connected with ASR, an experienced development group that remains interested in developing a 60-80 acre and \$100M+ whitewater and surf destination attraction to Lake Elsinore.
- Planned and implemented first "Crown City Cornhole Tournament" with Taco Fest event at Launch Pointe with more than 100 players participants
- Offered Annual Just 4 Kids Fishing Derby with maximum number of participants and received funding from Riverside County Recreation
- Filled Community Garden plots since COVID-19
- Reimplemented the Car Show Series on Main Street
- Successfully implemented Annual Taco Fest

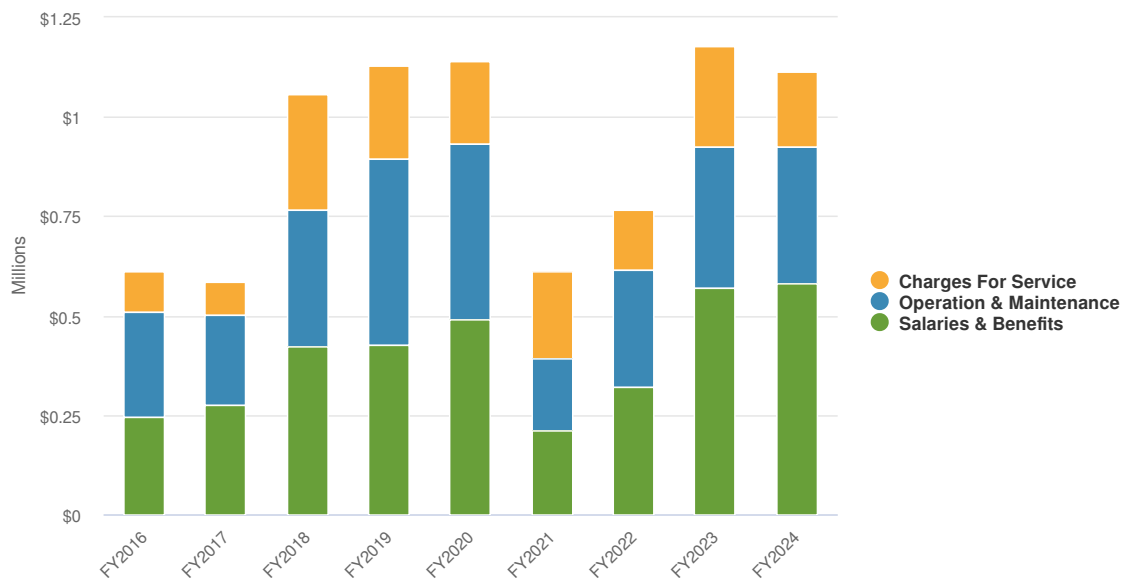
# Community Center

## Mission

Originally built in the 1950s as a movie theater, the Lake Community Center was renovated in 1990 to become the city's first Senior & Community Center offering senior programs, after school programs, drop in sports and recreational classes. Currently, the center still operates programs for all ages.

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type



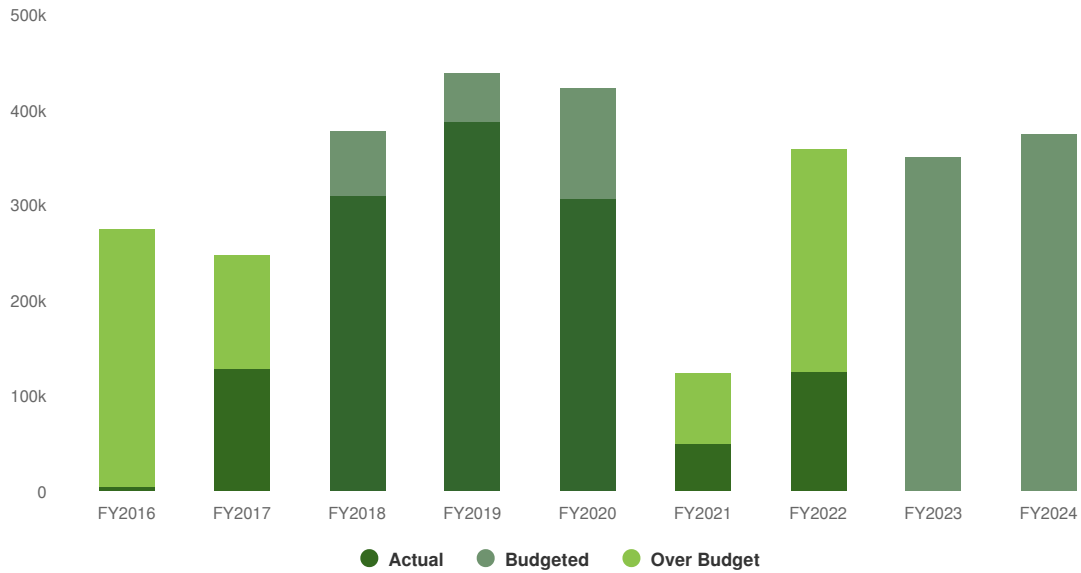
Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$319,562.44	\$571,390.00	\$582,580.00	2%
Operation & Maintenance	\$297,672.64	\$352,640.00	\$340,980.00	-3.3%
Charges For Service	\$150,688.00	\$252,670.00	\$190,180.00	-24.7%
<b>Total Expense Objects:</b>	<b>\$767,923.08</b>	<b>\$1,176,700.00</b>	<b>\$1,113,740.00</b>	<b>-5.4%</b>



## Revenues Summary

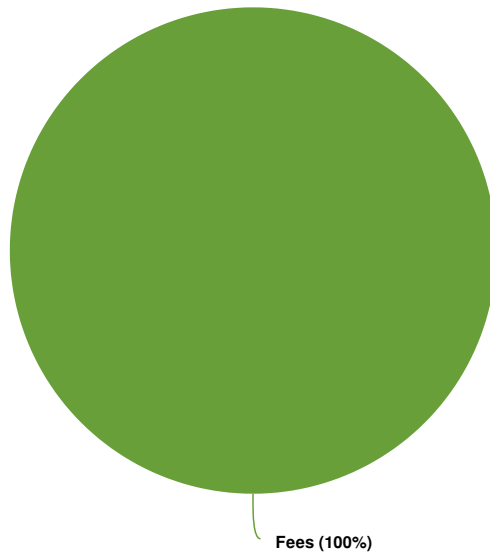
**\$374,750** **\$24,050**  
(6.86% vs. prior year)

### Community Center Proposed and Historical Budget vs. Actual



## Revenues by Source

### Projected 2024 Revenues by Source



### **Personnel Allocation**

	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
Recreation Supervisor (Unfunded)	1.00	-	1.00
Community Services Coordinator	1.00	-	1.00
Aquatics Program Coordinator - PT	1.00	-	1.00
Recreation Specialist - PT	1.00	-	1.00
Water Safety Instructor - PT	9.00	-	9.00
Recreation Leader - PT	4.00	-	4.00
Recreation Aide - PT	6.00	-	6.00
Total	<b>23.00</b>	<b>-</b>	<b>23.00</b>

### **FY 2022 - 23 Accomplishments**

- Created program proposal and successfully received funding for a new afterschool enrichment program (Extended Learning Program – ELP) from the Lake Elsinore Unified School District (LEUSD) to be offered at 3 schools for the FY22-23 School Year.
- Successful recruited, trained and certified lifeguards for our Summer Aquatics Program. The first program since returning from COVID-19.
- Community Garden – Full again with Wait-list, with a new composting bin
- Department - Budget Book
- A.R.I.S.E Resource Book
- Military Banner- Hoping to make some changes, that we can implement as well as updating the map.

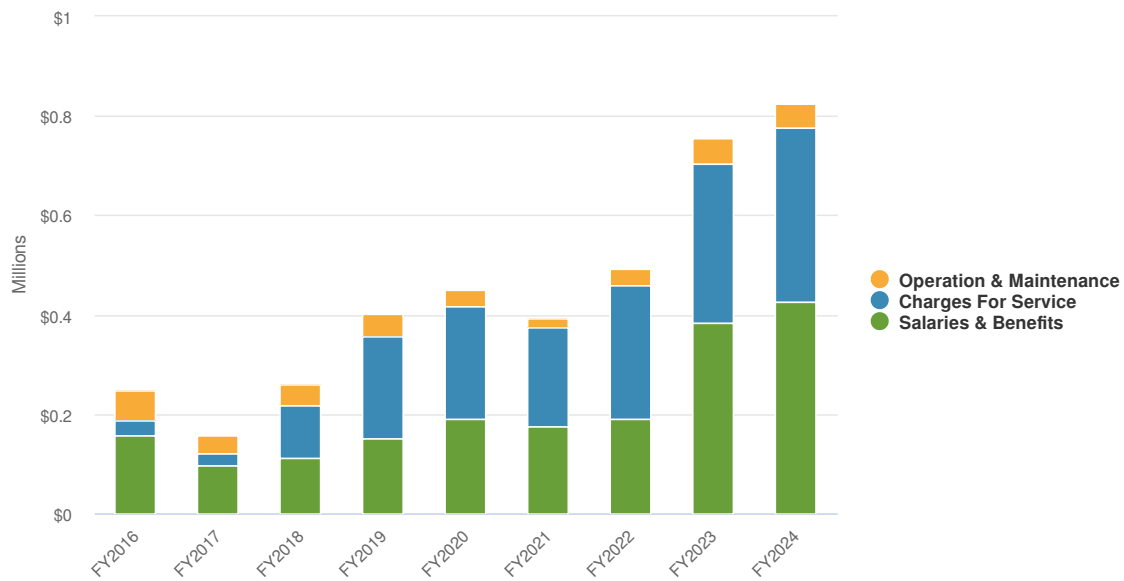
# Senior Center

## Mission

The Lake Elsinore Senior Activity Center provides a wide variety of recreational, self-enrichment and educational programs for participants 55 and older. The facility includes a state of the art computer lab, a billiard room, a television lounge, a reading room, dining hall, patio areas, and a service kitchen. This center provides social, recreational, physical and educational opportunities at low or no cost.

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type

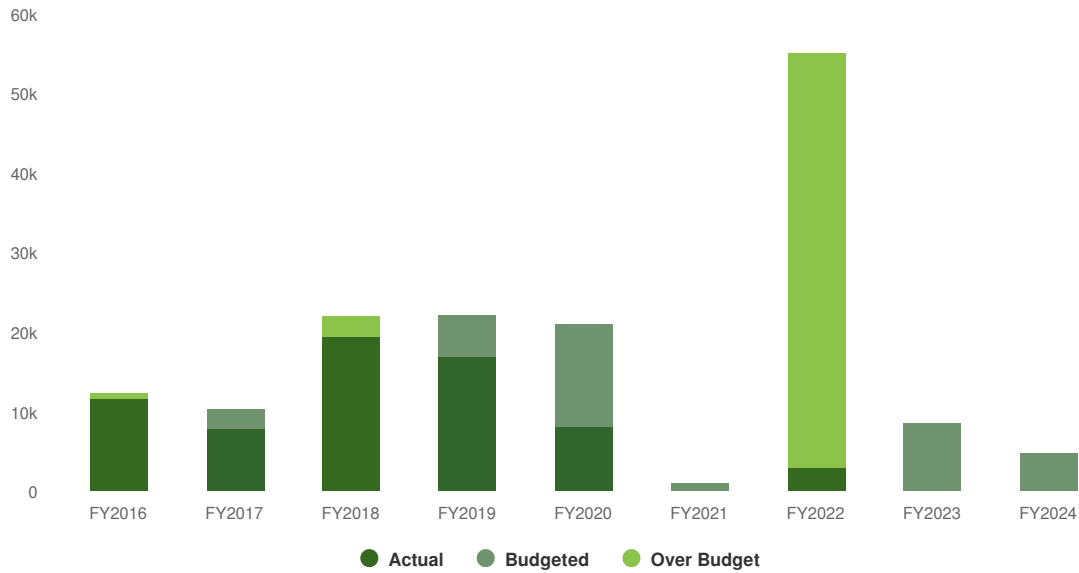


Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$188,866.07	\$384,410.00	\$425,650.00	10.7%
Operation & Maintenance	\$32,727.67	\$49,980.00	\$47,820.00	-4.3%
Charges For Service	\$270,967.00	\$320,080.00	\$352,160.00	10%
<b>Total Expense Objects:</b>	<b>\$492,560.74</b>	<b>\$754,470.00</b>	<b>\$825,630.00</b>	<b>9.4%</b>

## Revenues Summary

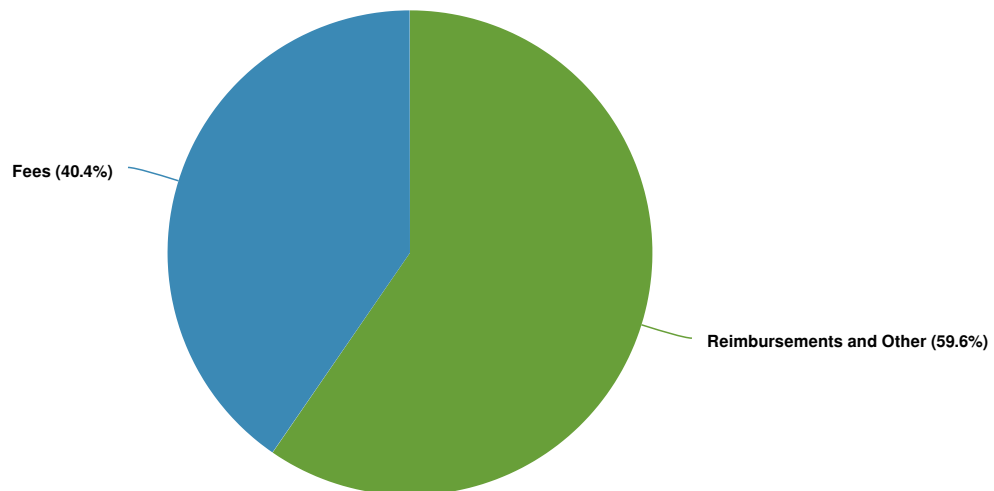
**\$4,950** **-\$3,730**  
(-42.97% vs. prior year)

### Senior Center Proposed and Historical Budget vs. Actual



## Revenues by Source

### Projected 2024 Revenues by Source



### **Personnel Allocation**

	<b>AUTHORIZED</b>		<b>AUTHORIZED</b>
	<b>FY22-23</b>	<b>CHANGES</b>	<b>FY23-24</b>
Recreation Supervisor	1.00	-	1.00
Community Services Coordinator	1.00	-	1.00
Recreation Specialist - PT	1.00	-	1.00
Recreation Leader - PT	2.00	-	2.00
Recreation Aide - PT	2.00	-	2.00
Total	<b>7.00</b>	<b>-</b>	<b>7.00</b>

### **FY 2022 - 23 Accomplishments**

- Developed Front Desk Resource Manual for Volunteers manning the front desk
- Increased Senior lunch program to 56 participants, first time since post COVID
- Hosted an emergency preparedness training for the seniors – presented by Ralph Mesa
- Hosted several Adaptive Recreation Incorporating Social Enrichment or A.R.I.S.E. events for special needs participants
- Reintroduced monthly senior excursions
- Implemented the NRPA – Fit & Strong! exercise program. We are currently in our 3<sup>rd</sup> of 4 sessions. (Which included getting 3 staff members certified.

# Neighborhood Center

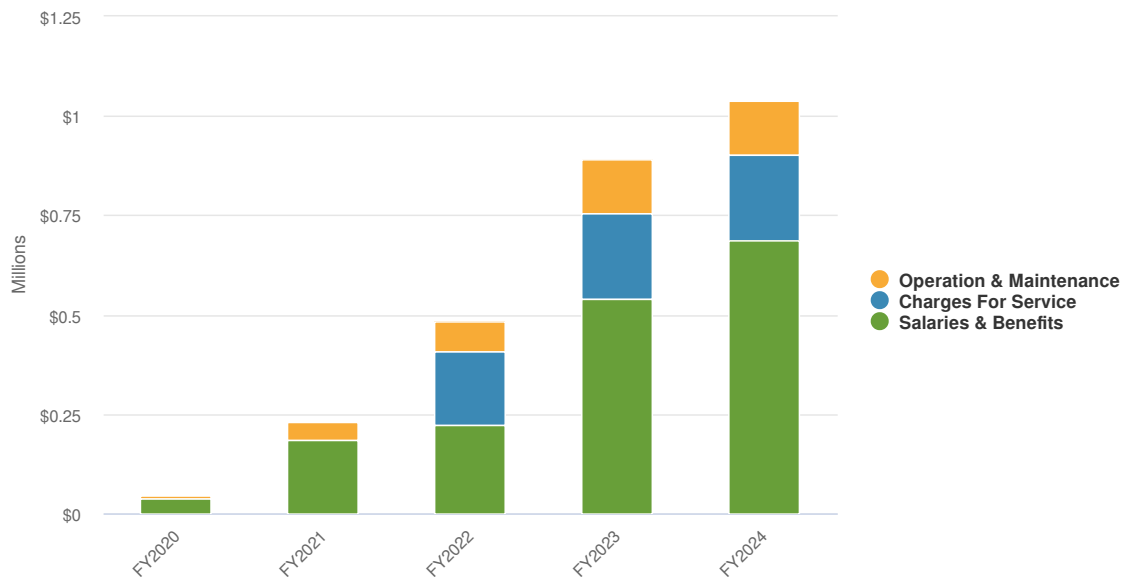
## Mission

Formerly known as the *Old Sheriff's Station*, the City of Lake Elsinore was deeded this facility in 2016 from the County of Riverside and later refurbished from what was once used as a Sheriff Station and Courthouse, to a renovated facility for the expansion of City recreational programming.

The City utilized a Community Development Block Grant (CDBG) for the renovation of the project, identified in the Capital Improvement Project (CIP) sheet as "The Lake Elsinore Neighborhood Center."

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type



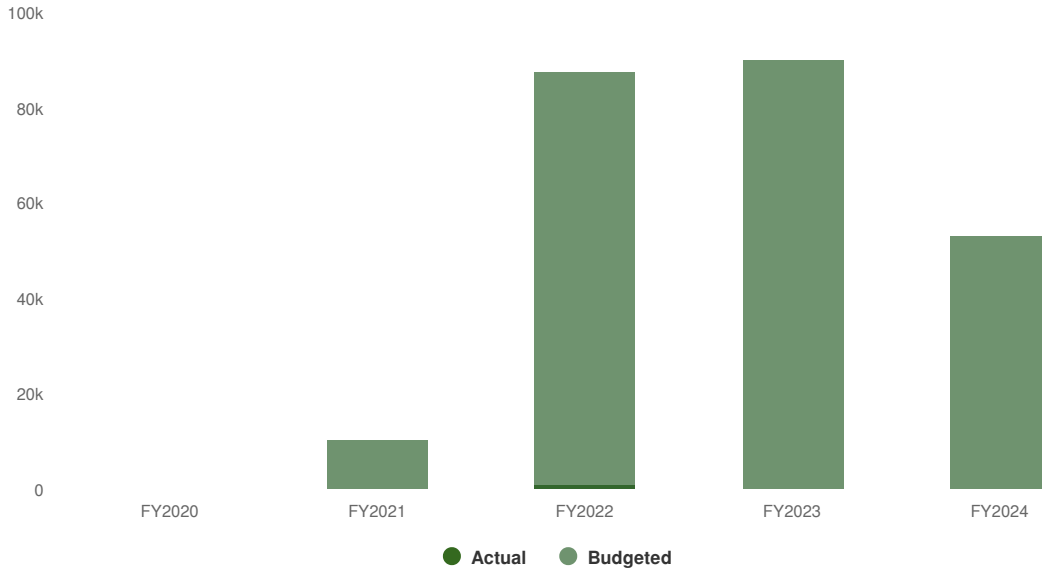
Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$224,275.72	\$540,870.00	\$688,670.00	27.3%
Operation & Maintenance	\$78,313.92	\$136,050.00	\$132,800.00	-2.4%
Charges For Service	\$181,710.00	\$215,270.00	\$215,380.00	0.1%
Total Expense Objects:	\$484,299.64	\$892,190.00	\$1,036,850.00	16.2%



## Revenues Summary

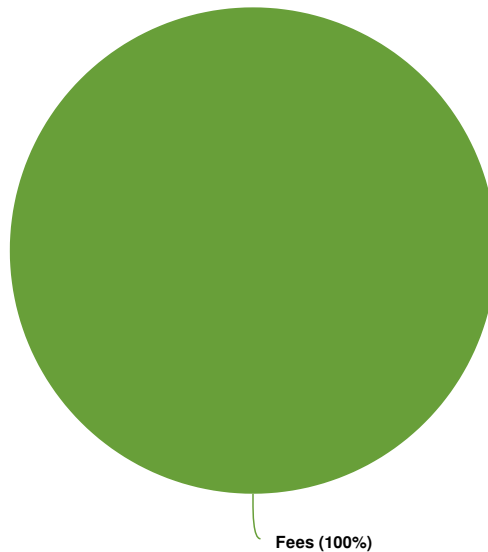
**\$53,080** **-\$36,930**  
(-41.03% vs. prior year)

### Neighborhood Center Proposed and Historical Budget vs. Actual



## Revenues by Source

### Projected 2024 Revenues by Source



### **Personnel Allocation**

	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
Recreation Supervisor	1.00	-	1.00
Community Services Coordinator	1.00	-	1.00
Recreation Specialist - PT	1.00	-	1.00
Recreation Leader - PT	4.00	-	4.00
Recreation Aide - PT	4.00	-	4.00
Total	<b>11.00</b>	<b>-</b>	<b>11.00</b>

### **FY 2022 - 23 Accomplishments**

- Successfully started adult open gym at the Lake Community Center
  - Basketball and Pickleball
- Revised Field Allocation Policy to be implemented in FY23-24
- Navigated the closure of Canyon Hills Community Park and mitigated the impact to our local youth leagues including our Special Needs Baseball organization.
- Worked with Triple Crown Sports, Colorado to host national events at Summerly Park, such as Zoom into June and Don Battles On.
- Reached new high in Adult Slow Pitch Softball Teams in 2022.



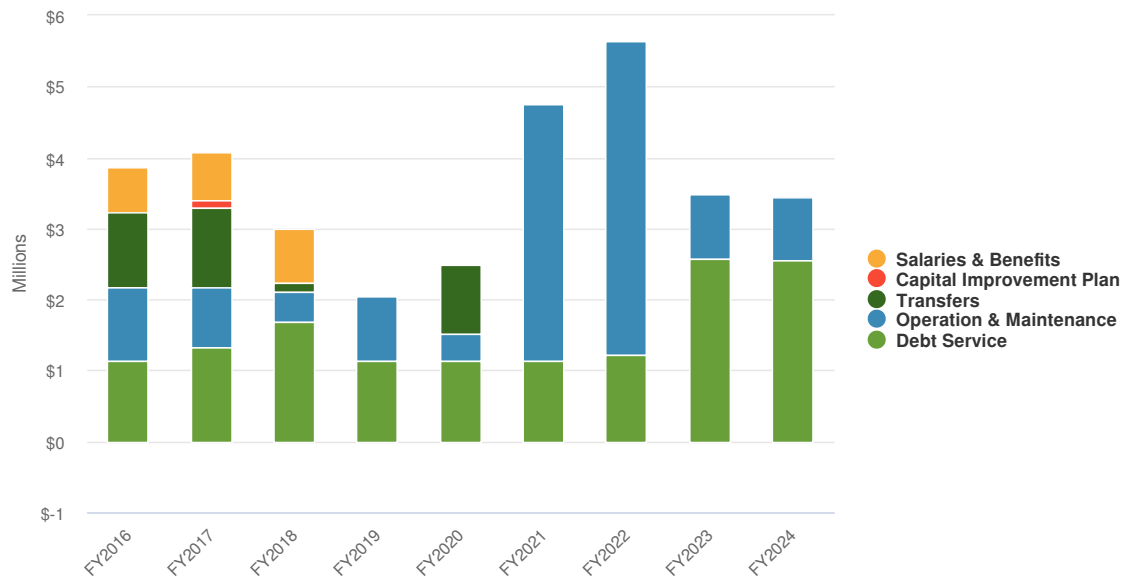
## Non-Departmental

### Mission

The Non-Departmental Division is a cost center for general administrative expenditures such as CalPERS Replacement Benefit, County Property Tax Administration Fees, and various Trustee Fees and Costs. It also reflects the Debt Service payment for the 2013 Recreation Authority Lease Revenue Bonds.

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$13,748.06	\$0.00	\$0.00	0%
Operation & Maintenance	\$4,410,356.15	\$917,400.00	\$882,000.00	-3.9%
Debt Service	\$1,221,247.94	\$2,563,510.00	\$2,561,400.00	-0.1%
<b>Total Expense Objects:</b>	<b>\$5,645,352.15</b>	<b>\$3,480,910.00</b>	<b>\$3,443,400.00</b>	<b>-1.1%</b>

# Internal Service Funds

## Mission

Internal Service Funds (ISFs) are used to account for the funding of goods and services provided by one department to other benefitting departments on a cost-reimbursement basis. The following section includes an expenses summary of each of the Internal Services Fund.

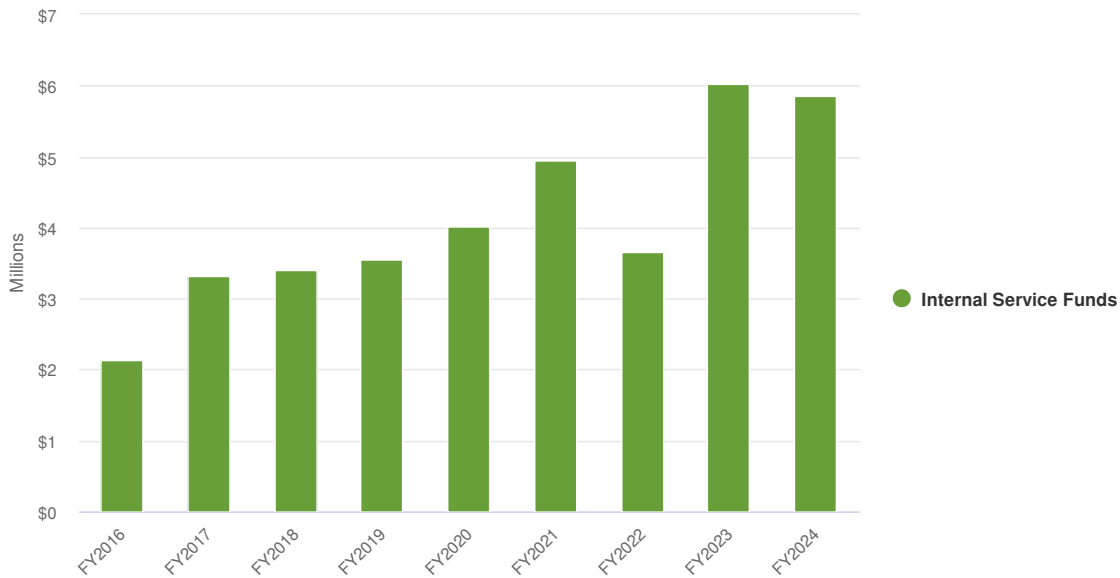
## INTERNAL SERVICE FUND OVERVIEW

### DEPARTMENTS

- Insurance Services
- Information Technology
- Support Services
- Fleet Services
- Facility Services

## Expenditures by Fund

### Budgeted and Historical 2024 Expenditures by Fund



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Internal Service Funds				
Insurance Service	\$782,077.20	\$1,151,720.00	\$1,246,240.00	0%
Information Systems Service	\$1,162,744.98	\$1,800,940.00	\$1,772,080.00	-1.6%
Support Service	\$101,928.42	\$108,720.00	\$108,720.00	0%
Fleet Service	\$902,411.32	\$1,828,700.00	\$1,749,620.00	-4.3%
Facilities Service	\$711,509.11	\$1,043,000.00	\$971,850.00	-6.8%
<b>Total Internal Service Funds:</b>	<b>\$3,660,671.03</b>	<b>\$5,933,080.00</b>	<b>\$5,848,510.00</b>	<b>-3%</b>

# Insurance Services

## Mission

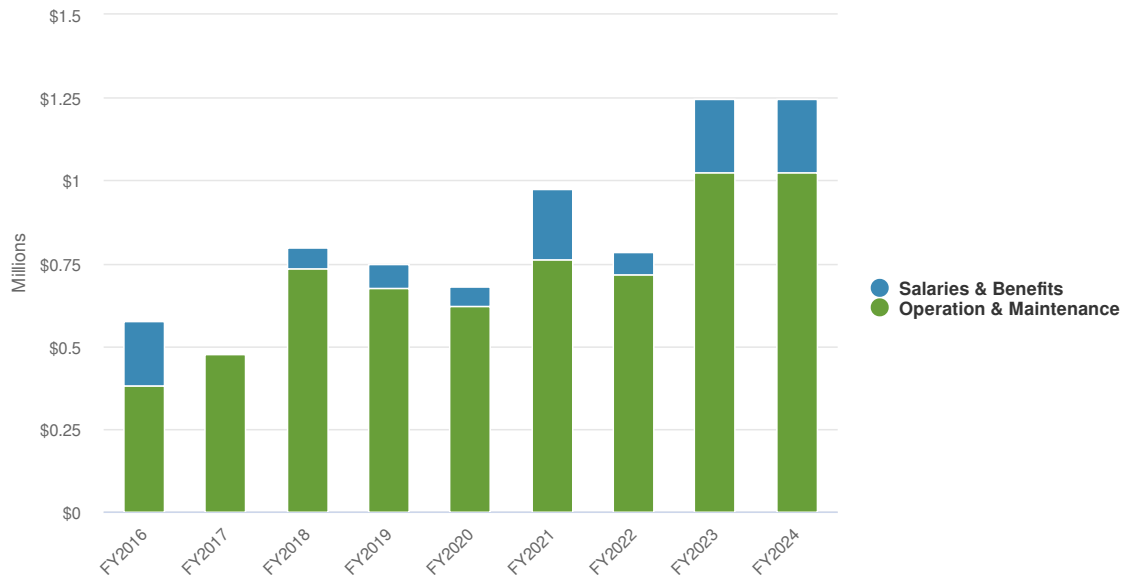
The purpose of the Risk Management Division of the Administrative Services Department is to reduce the financial impact of claims, lawsuits, and employee injuries to the City; to reduce the corresponding frequency and severity of these events through the application of professional risk management practices; and to provide a safe environment for employees to work and the public to enjoy.

The City of Lake Elsinore is a member of the California Joint Powers Insurance Authority (CJPIA), which is a self- insurance pool which provides liability protection of all of its members. Through the CJPIA, the City is able to procure General Liability, Workers' Compensation, Property, Crime, Environmental liability and Special Events insurance coverage. CJPIA provides third party claims administration through Southern California Risk Management Associates (SCRMA), Alliant and Carl Warren Co. to investigate and process claims.

The allocation method for this fund is based on expenditure less investment income and direct charges to police and fire to achieve the net cost to be allocated. The net cost is then allocated based on the total number of personnel per department.

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$65,480.25	\$226,210.00	\$221,240.00	0%
Operation & Maintenance	\$716,596.95	\$925,510.00	\$1,025,000.00	0%
<b>Total Expense Objects:</b>	<b>\$782,077.20</b>	<b>\$1,151,720.00</b>	<b>\$1,246,240.00</b>	<b>0%</b>

### **Personnel Allocation**

	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
Director of Administrative Services (Unfunded) Total	0.34	-	0.34
Assistant Director of Administrative Services	0.34	-	0.34
Total	<b>0.68</b>	<b>-</b>	<b>0.68</b>

### **FY 2022-23 Accomplishments**

- Reported monthly claims log to City Manager within 14 day after month-end
- Updated Property and Vehicle schedules with current replacement value.
- Reviewed premiums to ensure City is being cost effective.

# Information Technology

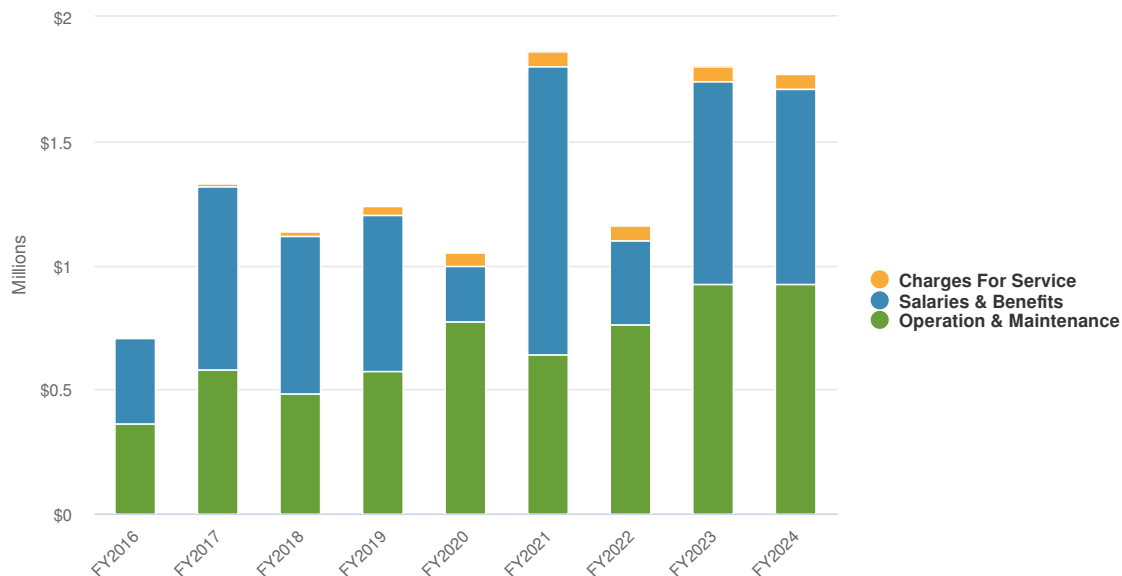
## Mission

Information Technology (IT) is charged with providing the highest quality of leadership, support, and essential services to the organization's Operating Departments to maintain service levels necessary to efficiently and effectively meet all departmental program requirements at City Hall and off-site facilities. This department establishes policy and direction for the City with respect to technology-related initiatives, including strategic planning, project management and implementation of technology-based policies and procedures. IT maintains City technology infrastructure including all workstations, servers, mobile devices, communication services, networking appliances and related equipment. This department also manages software and applications utilized by City staff and the public, including; City website, databases, electronic document management systems "Cloud" based platforms and other software solutions implemented by the City. IT provides support and customer service to all City staff with respect to information technology related service requests (Help Desk). IT is responsible for electronic and physical security of all City owned and operated facilities.

The allocation method for this fund is based on expenditure less investment income plus a ten percent markup (for replacement cost) to equal the net cost to be allocated. The net cost is then allocated based on the total number of workstations per department.

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$341,018.24	\$816,330.00	\$787,470.00	-3.5%
Operation & Maintenance	\$760,435.05	\$924,550.00	\$924,550.00	0%
Charges For Service	\$61,291.69	\$60,060.00	\$60,060.00	0%
<b>Total Expense Objects:</b>	<b>\$1,162,744.98</b>	<b>\$1,800,940.00</b>	<b>\$1,772,080.00</b>	<b>-1.6%</b>

### **Personnel Allocation**

	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
Information Technology Manager	1.00	-	1.00
Information Technology Administrator	1.00	-	1.00
Information Technician II	1.00	-	1.00
Information Technician I	1.00	-	1.00
GIS Tech	1.00	-	1.00
Total	<b>5.00</b>	<b>-</b>	<b>5.00</b>

### **FY 2022 - 23 Accomplishments**

- Procured new City Website Vendor
- Implemented new legislative management software.
- Install new fiber internet service at Launch Pointe.
- Expanded available GIS data, maps, and apps.
- Added additional security infrastructure to City facilities.
- Expanded surveillance systems at all Parks and facilities.

## Support Service

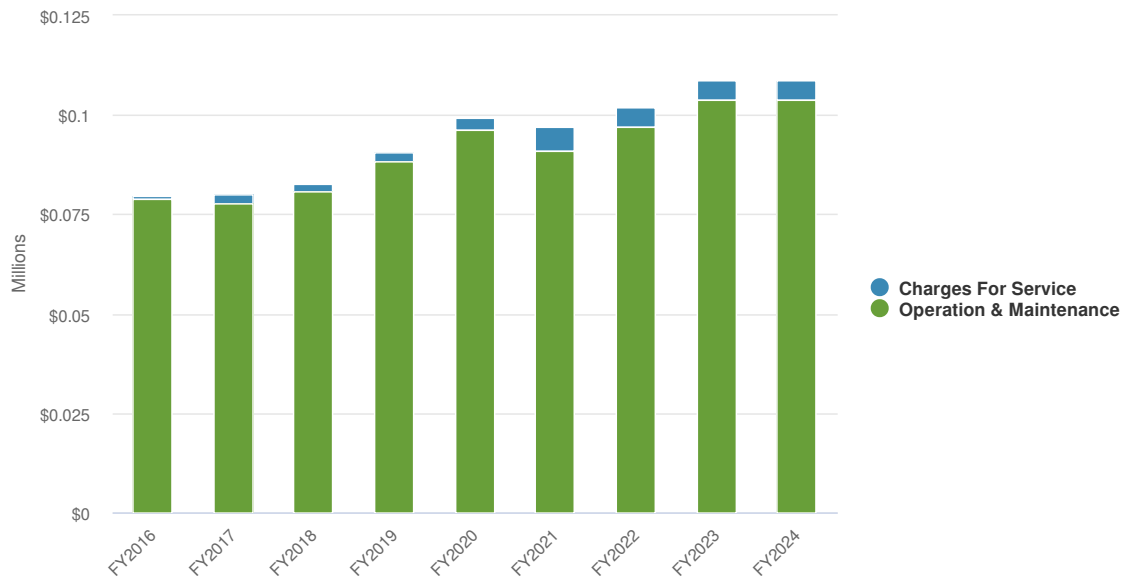
### Mission

The Support Services Fund is the cost center for the City's central duplicating, printing, and mailing activities. It is also used to depreciate all related copying and mailing equipment over their useful lives, and to accumulate resources for the purchase of future equipment. Departments are charged based on a count of copies made in the previous fiscal year.

The allocation method for this fund is based on expenditure less investment income plus a ten percent markup (for replacement cost) to equal the net cost to be allocated. The net cost is then allocated based on the total number of copy counts per department.

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Operation & Maintenance	\$97,121.67	\$103,910.00	\$103,910.00	0%
Charges For Service	\$4,806.75	\$4,810.00	\$4,810.00	0%
<b>Total Expense Objects:</b>	<b>\$101,928.42</b>	<b>\$108,720.00</b>	<b>\$108,720.00</b>	<b>0%</b>

# Fleet Services

## Mission

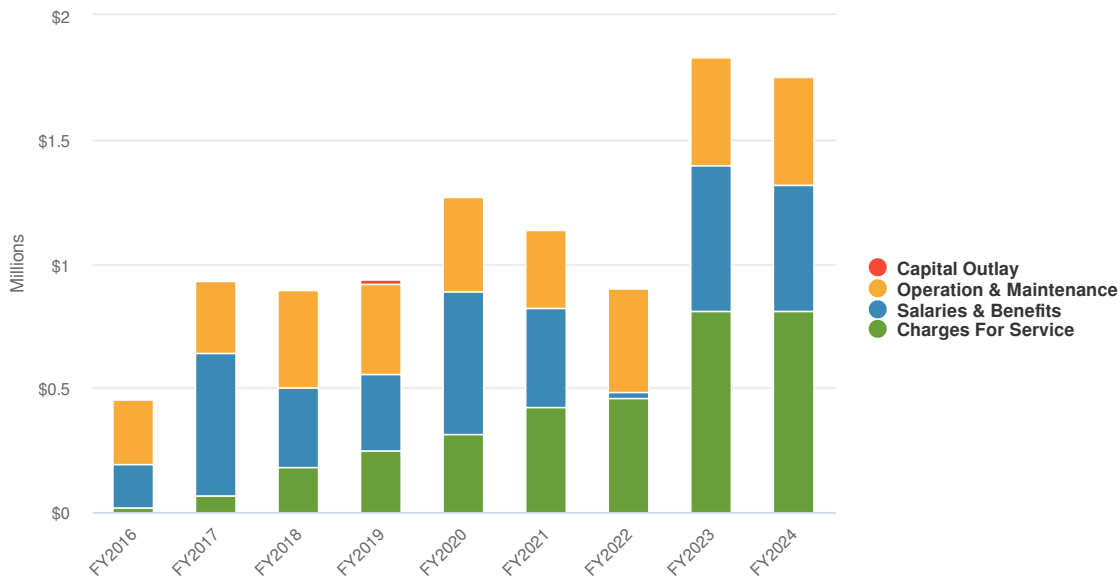
The Fleet Division of the Public Works Department is to provide high quality, cost-effective and sustainable fleet management and maintenance services to our customer departments.

The division provides fleet services to six City departments with a combined municipal fleet total of approximately 172 units. The division is responsible for asset management, maintenance and repairs, vehicle acquisitions and dispositions, equipment specifications, and the shared motor pool program.

The allocation method for this fund is based on expenditure less investment income plus a ten percent markup (for replacement cost) to equal the net cost to be allocated. The net cost is then allocated based on the depreciation per department.

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$26,537.02	\$584,950.00	\$505,870.00	-13.5%
Operation & Maintenance	\$418,510.49	\$434,800.00	\$434,800.00	0%
Charges For Service	\$457,363.81	\$808,950.00	\$808,950.00	0%
<b>Total Expense Objects:</b>	<b>\$902,411.32</b>	<b>\$1,828,700.00</b>	<b>\$1,749,620.00</b>	<b>-4.3%</b>



**Personnel Allocation**

	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
Public Works Supervisor	1.00	-	1.00
Lead Worker	1.00	-	1.00
Maintenance Worker II	1.00	-	1.00
Total	<b>3.00</b>	<b>-</b>	<b>3.00</b>

# Facility Services

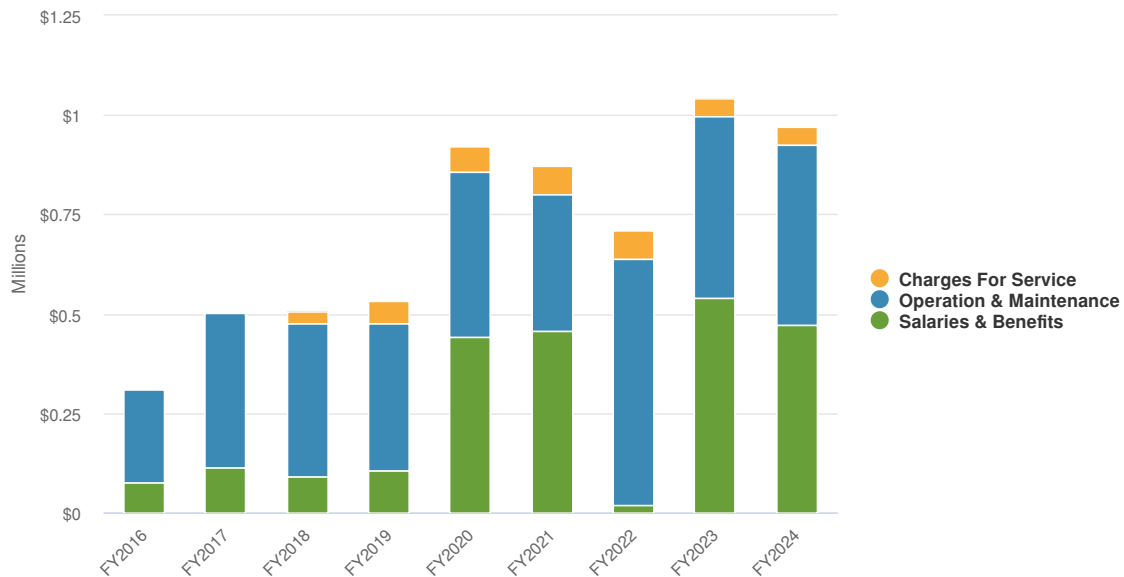
## Mission

The Facility Division of the Public Works Department provides day-to-day maintenance and repair, modernization, and improvement services including, emergency repairs, deferred maintenance, and tenant improvements to all citywide facilities.

The allocation method for this fund is based on expenditure less investment income plus a ten percent markup (for replacement cost) to equal the net cost to be allocated. The net cost is then allocated based on the square footage and number of employees per department.

## Expenditures by Expense Type

### Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$17,016.26	\$541,320.00	\$473,670.00	-12.5%
Operation & Maintenance	\$622,558.86	\$454,300.00	\$450,800.00	-0.8%
Charges For Service	\$71,933.99	\$47,380.00	\$47,380.00	0%
<b>Total Expense Objects:</b>	<b>\$711,509.11</b>	<b>\$1,043,000.00</b>	<b>\$971,850.00</b>	<b>-6.8%</b>

**Personnel Allocation**

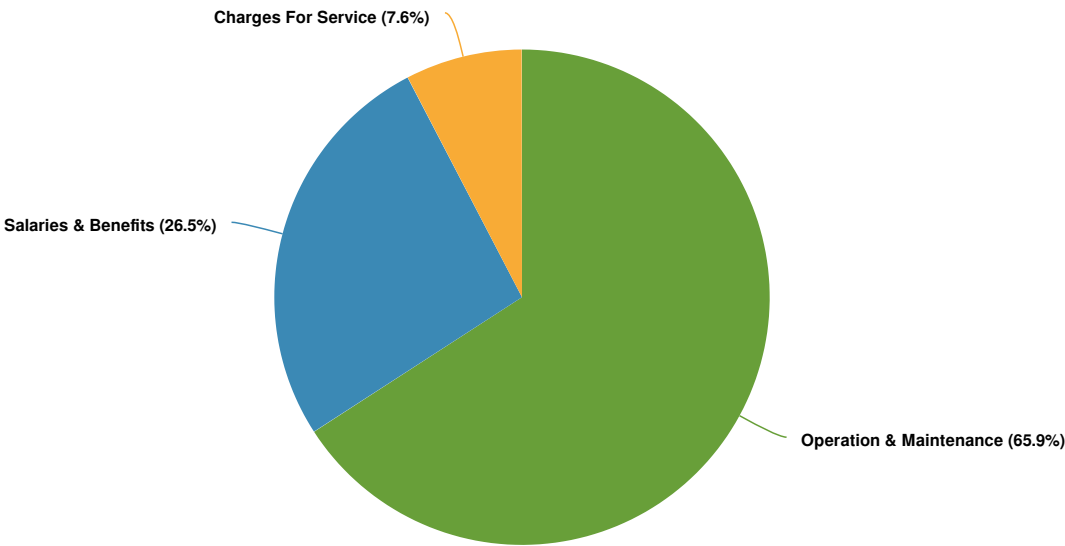
	<b>AUTHORIZED FY22-23</b>	<b>CHANGES</b>	<b>AUTHORIZED FY23-24</b>
Maintenance Worker II	1.00	-	1.00
Maintenance Worker I	2.00	-	2.00
Total	<b>3.00</b>	-	<b>3.00</b>

# Enterprise Fund Overview

The Enterprise Fund is used to separately account for self-supporting activities that are supported by rates and/or fees. This fund includes Launch Pointe RV Resort. Established to finance and account for the operation and maintenance of facilities and services which are predominately self-supported by user charges.

## Expenditures by Expense Type

Budgeted Expenditures by Expense Type



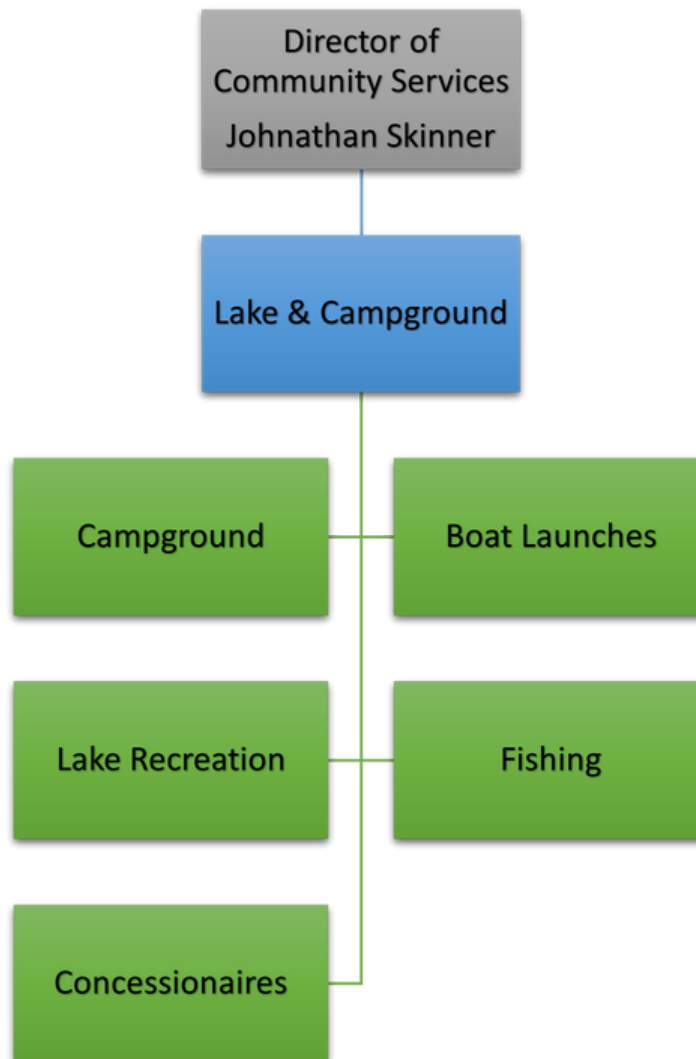
# Launch Pointe Resort

## Mission

Launch Point RV Park provides the ultimate experience on the largest natural fresh water lake for families and outdoor enthusiast who want to create amazing stories and lasting memories. Through exciting world-class amenities, boat launch, venue, partners, service, and security, our goal is epic moments.

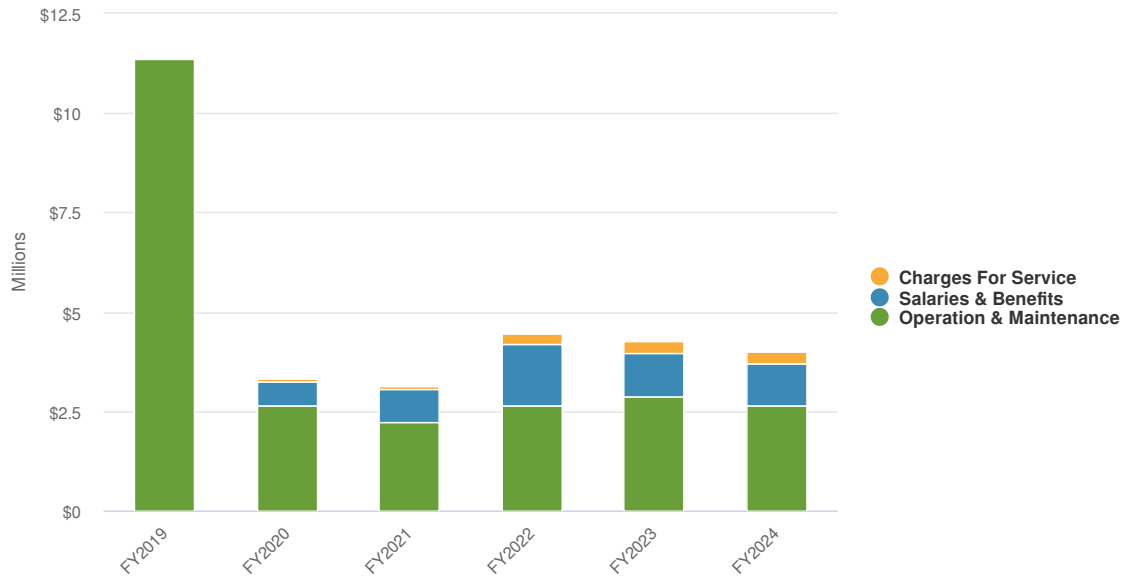
We offer the perfect memorable escape to renew mind, body, and spirit. Success is measured through the number of stays, stories, visitors, and returning visitors who live out their adventure. We incentivize participation by having something fun for everyone that will revive a connection with nature. We see more and more people addicted to next level living as they connect to this jewel of Southern California that people can't stop sharing. It's been a destination since 1962 in a city leading the way for change.

## Organizational Chart



# Expenditures by Expense Type

## Budgeted and Historical Expenditures by Expense Type

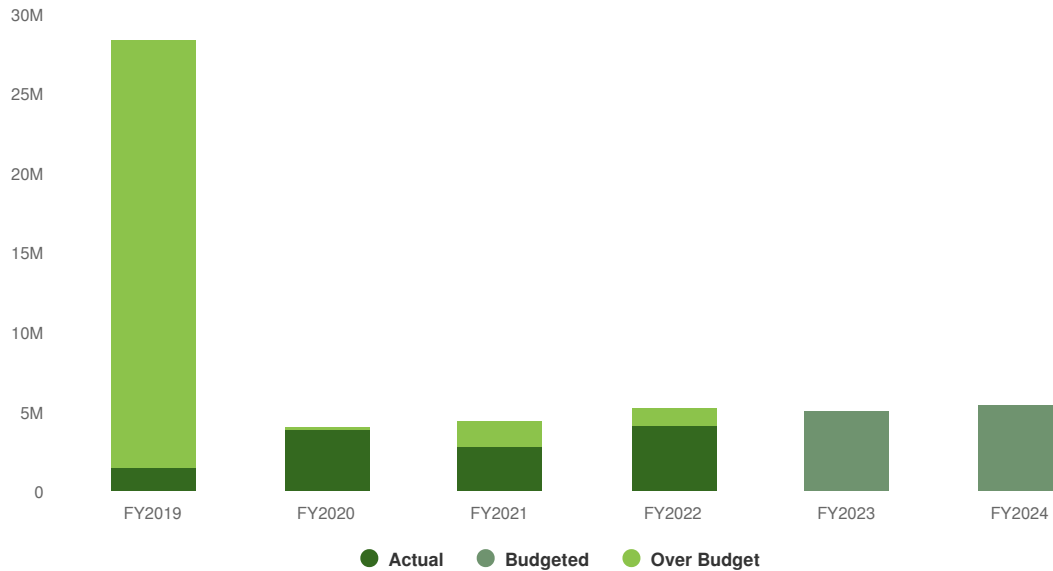


Name	FY2022 Actual	FY2023 Budget	FY2024 Budgeted	FY2023 Budgeted vs. FY2024 Budgeted (% Change)
Expense Objects				
Salaries & Benefits	\$1,519,889.17	\$1,094,320.00	\$1,061,760.00	-3%
Operation & Maintenance	\$2,657,728.55	\$2,860,290.00	\$2,640,090.00	-7.7%
Charges For Service	\$277,984.38	\$306,010.00	\$306,010.00	0%
<b>Total Expense Objects:</b>	<b>\$4,455,602.10</b>	<b>\$4,260,620.00</b>	<b>\$4,007,860.00</b>	<b>-5.9%</b>

## Revenues Summary

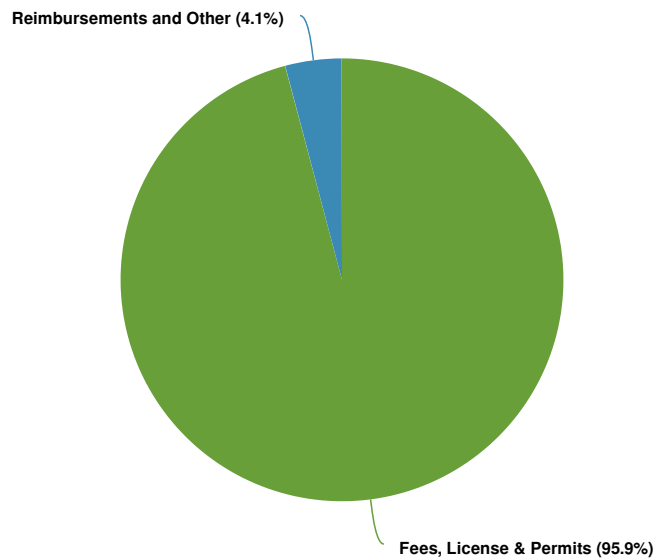
**\$5,507,000** **\$400,000**  
(7.83% vs. prior year)

### Launch Pointe Resort Proposed and Historical Budget vs. Actual



## Revenues by Source

### Projected 2024 Revenues by Source



## **Personnel Allocation**

	<b>AUTHORIZED</b>		<b>AUTHORIZED</b>
	<b>FY22-23</b>	<b>CHANGES</b>	<b>FY23-24</b>
Assistant Community Services Director	0.25	-	0.25
Recreation Supervisor	1.00	-	1.00
Community Services Coordinator	4.00	-	4.00
Recreation Specialist - PT	2.00	-	2.00
Recreation Leader - PT	2.00	-	2.00
Recreation Aide - PT	11.00	-	11.00
Total	<b>20.25</b>	<b>-</b>	<b>20.25</b>

## **FY 2022 - 23 Accomplishments**

- Creating new Long-Term guest application & updating associated documents to better refine the processes. Developing an inquiry form to filter potential LT guests for new reservations & to fill vacancies. Streamline LT reservation requests and have more stringent requirements for all LT guests (valid registration, licensing, tow vehicle on site, site cleanliness, Code of Conduct)
- Creating an employee handbook for onboarding all PT staff effectively. Supporting senior PT staff to assist with hands on training for Campspot & SALTO
- Creating "snowbird" LT sites to maximize revenues during the slower winter months with LT Loop Premium sites (higher cost, upgrades, longer stays). Rate increases for premium sites during busy season May - November
- Fostering collaboration & communication between staff, management & vendors. Bridging the information gap and creating open lines of communication via connectteams & flyer creation. Creation of maintenance job log and monthly meetings between FT staff, Beau & maintenance to discuss/build timelines for big projects to be completed.
- Did a full inventory count of LP Giftshop and created a procedure for inventory to better keep track of items
- Created a whole new design/space for LP Giftshop and put it together myself
- Became Point of Contact for our Housekeeping and Maintenance crew and also keep track of inventory and ordering supplies when needed for them
- Took on Salto systems for LP and learned how to change and program locks
- Took on Group Reservations for LP



## Other Entities Overview

The financial statements of the City of Lake Elsinore include the financial activities of the City, the Lake Elsinore Public Financing Authority, the Lake Elsinore Recreation Authority, and the Lake Elsinore Financing Authority. While each is a separate legal entity, the City Council, acting as Council and Board of Directors, exercises oversight responsibility for each. Each was organized for the benefit of the City and its residents and conducts all activities within its boundaries.

Lake Elsinore  
Public Finance  
Authority

Lake Elsinore  
Recreation  
Authority

Lake Elsinore  
Facilities Financing  
Authority

Successor To The  
Lake Elsinore  
Redevelopment  
Agency

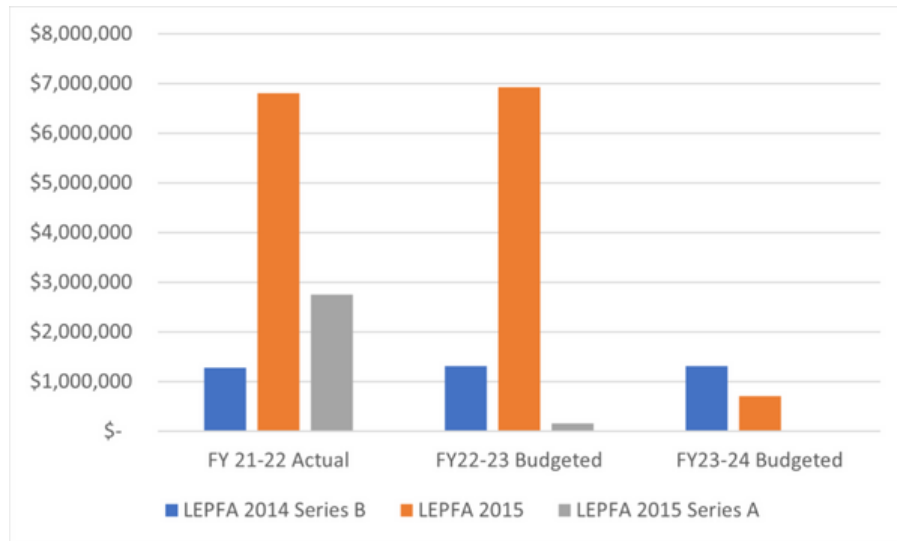
# Lake Elsinore Public Finance Authority

## Mission

The Lake Elsinore Public Finance Authority (LEPFA) is a joint exercise of powers between the City of Lake Elsinore and the Lake Elsinore Redevelopment Agency, created by a joint powers agreement dated July 25, 1989. The LEPFA provides financing for public capital improvements for revenue bonds to pay the cost of any public capital improvement.

## Expenditures by Fund

Name	FY 21-22 Actual	FY22-23 Budgeted	FY23-24 Budgeted	FY22-23 Budgeted vs. FY23-24 Budgeted
LEPFA 2014 Series B	\$ 1,283,688	\$ 1,308,570	\$ 1,316,063	101%
LEPFA 2015	\$ 6,805,274	\$ 6,924,210	\$ 706,349	10%
LEPFA 2015 Series A	\$ 2,754,255	\$ 156,390	\$ -	0%
<b>Total</b>	<b>\$ 10,843,216</b>	<b>\$ 8,389,170</b>	<b>\$ 2,022,412</b>	



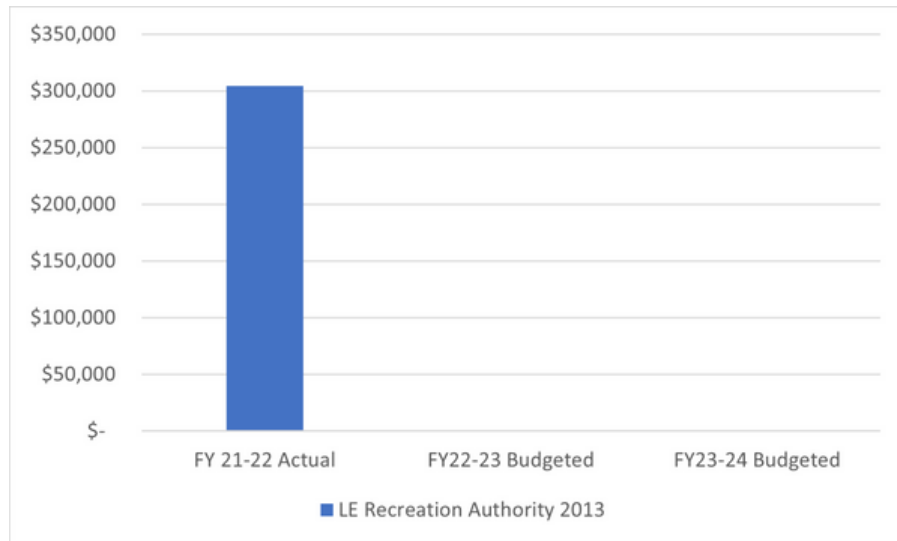
# Lake Elsinore Recreation Authority

## Mission

The Lake Elsinore Recreation Authority (LERA) is a joint exercise of powers between the City of Lake Elsinore and the Lake Elsinore Redevelopment Agency, created by a joint powers agreement dated December 1, 1996. The LERA continues to function without the Agency. The purpose of the LERA is to provide, through the issuance of revenue bonds, a financing pool to fund capital improvement projects. These revenue bonds are to be repaid solely from the revenues of certain public obligations.

## Expenditures by Fund

Name	FY 21-22 Actual	FY22-23 Budgeted	FY23-24 Budgeted	FY22-23 Budgeted vs. FY23-24 Budgeted
LE Recreation Authority 2013	\$ 304,539	\$ -	\$ -	N/A
<b>Total</b>	<b>\$ 304,539</b>	<b>\$ -</b>	<b>\$ -</b>	



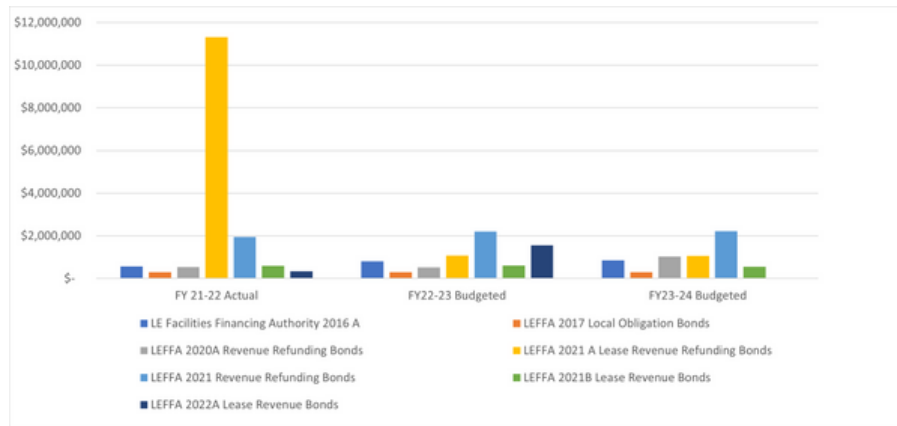
# Lake Elsinore Facilities Financing Authority

## Mission

On April 12, 2016, City Council conceptually approved proceeding with the issuance of lease revenue bonds to finance the development of the La Laguna Resort. Under this financing structure, a joint powers authority is utilized for the sole purpose of issuing bonds for the benefit of the issuer. Therefore, on September 13, 2016, City Council formed the Lake Elsinore Facilities Financing Authority (LEFFA), a joint powers agreement between the City and Lake Elsinore Parking Authority (approved and formed on August 23, 2016) to issue the lease revenue bonds.

## Expenditures by Fund

Name	FY 21-22 Actual	FY22-23 Budgeted	FY23-24 Budgeted	FY22-23 Budgeted vs. FY23-24 Budgeted
LE Facilities Financing Authority 2016 A	\$ 560,015	\$ 813,560	\$ 853,025	104.9%
LEFFA 2017 Local Obligation Bonds	\$ 292,794	\$ 290,000	\$ 291,963	100.7%
LEFFA 2020A Revenue Refunding Bonds	\$ 531,448	\$ 520,000	\$ 1,030,000	198.1%
LEFFA 2021 A Lease Revenue Refunding Bonds	\$ 11,321,674	\$ 1,072,080	\$ 1,062,776	99.1%
LEFFA 2021 Revenue Refunding Bonds	\$ 1,941,684	\$ 2,203,960	\$ 2,213,001	100.4%
LEFFA 2021B Lease Revenue Bonds	\$ 599,922	\$ 605,000	\$ 554,100	91.6%
LEFFA 2022A Lease Revenue Bonds	\$ 339,849	\$ 1,563,358	\$ -	N/A
<b>Total</b>	<b>\$ 15,587,385</b>	<b>\$ 7,067,958</b>	<b>\$ 6,004,865</b>	



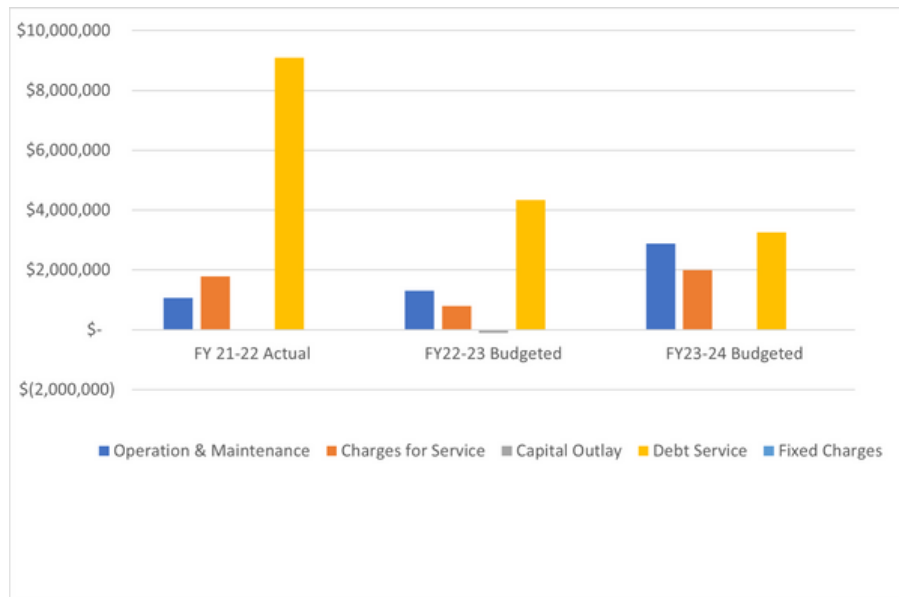
# Successor to The Lake Elsinore Redevelopment Agency

## Mission

In June 2011, the Governor of California signed ABx1 26, which dissolved redevelopment agencies effective February 1, 2012 and provided for the designation of successor agencies to oversee the completion of previously obligated redevelopment activities. As a result, all assets of the redevelopment agency were transferred to the Successor Agency of the Redevelopment Agency (SARDA) on February 1, 2012 and the City Council began serving as the Successor Agency.

## Expenditures by Fund

Name	FY 21-22 Actual	FY22-23 Budgeted	FY23-24 Budgeted	FY22-23 Budgeted vs. FY23-24 Budgeted
Operation & Maintenance	\$ 1,058,895	\$ 1,300,000	\$ 2,888,275	222.2%
Charges for Service	\$ 1,781,921	\$ 800,000	\$ 2,000,000	250.0%
Capital Outlay	\$ -	\$ (100,000)	\$ -	0%
Debt Service	\$ 9,095,376	\$ 4,336,180	\$ 3,252,905	75.0%
Fixed Charges	\$ 10,225	\$ -	\$ -	N/A
<b>Total</b>	<b>\$ 11,946,417</b>	<b>\$ 6,336,180</b>	<b>\$ 8,141,180</b>	



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# **CAPITAL IMPROVEMENTS & DEBT**

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# Capital Improvement Plan Summary

The purpose of the CIP Budget Document is to serve as a planning tool, which coordinates the financing and scheduling of major projects undertaken by the City. The CIP document is prepared in accordance with generally accepted accounting principles.

This document is dynamic and, consequently, must be revised annually to address changing needs, priorities, and financial conditions. The capital improvements presented in this document are the City's major projects, which exceed \$20,000 in cost, have long-term life spans, and are generally non-recurring. These projects include land and right-of-way acquisition, design, construction or rehabilitation of public buildings or facilities, public infrastructure design and construction, and park design and construction.

The City's goal in providing a CIP Budget is to develop a multi-year plan for capital improvement, update it annually, and follow through with all capital improvements in accordance with the plan. In determining the relative merit of a proposed project, key management team members evaluate projects for feasibility, community enhancement, and safety.

## Plan Development

This CIP budget document was developed by incorporating input from key management team members, based on community comments and feedback received throughout the year. The team then identified and evaluated community needs in the areas of roads and streets, bridges, public buildings, and parks and recreation facilities. Each proposed project was reviewed and discussed to ensure funding, timing, and necessity were appropriately addressed. The CIP City Council workshop held on June 27, 2023, provided the City Council with an opportunity to review each project in detail, and to receive public comments concerning the five-year plan. All projects were evaluated by the City's Planning Commission to ensure consistency with the City of Lake Elsinore General Plan, while considering the City's long-term vision as developed by the City Council. The proposed circulation, facilities, infrastructure, and park projects were reviewed and approved by the Planning Commission.

Projects in this document have been scheduled in each of the five fiscal years based on community needs, as determined by the City Council and availability of funding. Priority rankings in each major category have been assigned in accordance with the priority guidelines, as follows:

LEVEL I: The project is urgent and must be completed as soon as feasible. Failure to address the project may impact the health, safety, or welfare of the community or have a potential significant impact on the financial well-being of the City. The project must be initiated or financial opportunity losses may result.

LEVEL II: The project is important and addressing it is necessary. The project impacts safety, law enforcement, health, welfare, economic base, and quality of life.

LEVEL III: The project will enhance the quality of life and will provide a benefit to the community. Completion of the project will improve the community by providing cultural, recreational, and/or aesthetic value, or is deemed as a necessary improvement to a public facility.

Future Years Projects: The project will be an improvement to the community, but does not necessarily need to be completed within a five-year capital improvement program time frame.

The fiscal years 2023-28 CIP identifies a total of 82 projects consisting of 44 Circulation Projects totaling \$443,919,751; 7 Facilities Projects totaling \$118,029,511, 10 Infrastructure Projects totaling \$18,533,803; and 21 Park Projects totaling \$92,912,597. The total cost to complete all of the proposed projects is \$673,395,662, of which \$78,170,860 is programmed for FY2023-2024. Also of note, in this document, all projects are completely funded for FY 2023-24.

The administrative costs associated with managing the development of these projects have been estimated (generally as five to ten percent of estimated construction costs) and programmed in each project budget.

Future operations and maintenance costs that result from the projects included in the CIP budget have been estimated for each project. These incremental future operating costs have been incorporated into the five-year operating budget forecast in the next section of this document. The estimates reflect operating and maintenance costs only. There are no anticipated personnel costs in relation to CIP projects yet. Personnel requirements are evaluated on an annual basis as part of that year's annual operating budget process.



The following pages include a summary of projected CIP revenues; CIP projects included in the five-year CIP budget by type of project and priority, and a description of major CIP revenue sources. A separate CIP budget document is prepared by the City that includes complete detail for each project including project description, scope, location map, level, responsible department, sources of funding, and annual project cost with detail of administration, design, engineering, and construction.





## Projected Revenue Summary

Funding Source	Available Fund Balance	Projected 2023-2024 Revenue	Projected 2024-2025 Revenue	Projected 2025-2026 Revenue	Projected 2026-2027 Revenue	Projected 2027-2028 Revenue	Projected Funds Available
Assembly Bill 2766	\$ 268,050	\$ 72,100	\$ 73,542	\$ 75,013	\$ 76,513	\$ 78,043	\$ 643,261
Community Development Block Grant (CDBG)		1,042,020					1,042,020
<u>Development Impact Fees (DIF)</u>							
Animal Shelter		25,200	25,704	26,218	26,742	27,277	131,142
City Hall/Public Works	-	50,600	51,612	52,644	53,697	54,771	263,324
Community Center	165,470	50,500	51,510	52,540	53,591	54,663	428,274
Fire Protection	583,060	61,100	62,322	63,568	64,840	66,137	901,027
Lake Side Facilities	266,370	60,600	61,812	63,048	64,309	65,595	581,735
Library	1,337,360	25,100	25,602	26,114	26,636	27,169	1,467,981
Quimby	-	51,100	52,122	53,164	54,228	55,312	265,926
Gas Tax	220,720	2,051,900	2,092,938	2,134,797	2,177,493	2,221,043	10,898,890
Geothermal	13,765	200	204	208	212	216	14,806
<u>Grants</u>							
Active Transportation Program		760,000	3,904,000				4,664,000
American Rescue Program Act	5,959,900						5,959,900
Building Forward Library Facilities			10,000,000				10,000,000
Charging and Fueling Infrastructure Grant				520,000			520,000
Community Funding Program		425,000					425,000
Energy Efficiency and Conservation Block Grant		125,030					125,030
FEMA			120,000	255,000	500,000	500,000	1,375,000
HBP		200,000		20,000,000			20,200,000
HBRRP			2,000,000				2,000,000
HSIP		1,204,680	225,000				1,429,680
MARA		6,300,000					6,300,000
RCFCD		5,000		1,000,000			1,005,000
La Strada RBBD	23,831						23,831
Measure A	344,950	2,299,000	2,339,000	2,386,000	2,434,000	2,483,000	12,285,950
Measure Z	16,254,783	16,470,000	16,799,400	17,135,388	17,478,096	17,827,658	101,965,324
NPDES	685,070	413,100	421,362	429,789	438,385	447,153	2,834,859
<u>Successor Agency</u>							
Affordable Housing	4,261,728	111,000	113,220	115,484	117,794	120,150	4,839,376
Tax Increment		2,295,870					2,295,870
<u>Reimbursements/Other</u>							
Capital Contributions	10,641,143	21,193,997	8,063,803	3,006,756	3,066,891	3,128,229	49,100,819
Developer Agreement Fees	-	25,200	25,704	26,218	26,742	27,277	131,142
Public In Lieu	1,658,330	10,100	10,302	10,508	10,718	10,933	1,710,891
Public Education Grant	84,439	20,231	20,636	21,048	21,469	21,899	189,722
Storm Drain Fee	3,047,190	265,000	270,300	275,706	281,220	286,845	4,426,261
Summerly Traffic Infrastructure Fee	3,336,140	10,100	10,302	10,508	10,718	10,933	3,388,701
Traffic Impact Fee	22,360	401,100	409,122	417,304	425,651	434,164	2,109,701
Senate Bill 1	247,300	1,772,440	1,807,889	1,844,047	1,880,928	1,918,546	9,471,149
Senate Bill 821	-	391,980					391,980
Transportation Uniform Mitigation Fee (TUMF)		7,100,000	6,000,000		39,000,000		52,100,000
Transportation Road Improvement (TRIP)	12,930						12,930
<b>TOTAL REVENUE</b>	<b>\$49,434,889</b>	<b>\$65,289,248</b>	<b>\$55,037,407</b>	<b>\$50,001,073</b>	<b>\$68,290,874</b>	<b>\$29,867,011</b>	<b>\$ 317,920,502</b>



# Annual Capital Projects Itemized

## Projects for 2023 – 2024

- **AQUATIC ECOSYSTEM RESTORATION PROJECT \$125,000**
  - This project will initiate the Lake Elsinore Aquatic Ecosystem Restoration Project, which will be completed under the authority of the Continuing Authority Program (CAP) Section 206 program of the Water Resources Development Act of 1986 in partnership with the Army Corps of Engineers, Elsinore Valley Municipal Water District, and the Riverside County Flood Control and Conservation District. This CAP Authority aims to study, design, and construct aquatic ecosystems and riparian habitat restoration projects. The Lake Elsinore CAP Section 206 study aims to determine and eventually construct a project that will help restore degraded aquatic ecosystem structure, function, and dynamic processes of Lake Elsinore to a less degraded, more natural condition. This involves consideration of the ecosystem's natural integrity, productivity, stability, and biological diversity.
- **ANNUAL CITYWIDE ASPHALT MAINTENANCE PROGRAM \$2,000,000**
  - This project includes annual crack sealing and pothole repair services throughout the city.
- **ANNUAL CITYWIDE DIRT ROAD PAVING PROGRAM \$499,810**
  - This project will reduce the remaining dirt roads within the city and reduce mud debris that flows along roadways due to inclement weather, eliminating potential hazards that can damage vehicles driving on dirt/gravel roads. Improve the air quality of the residents.
- **ANNUAL CITYWIDE LANDSCAPE RENOVATION PROGRAM \$2,000,000**
  - This project provides for rehabilitating landscaping, median, and irrigation equipment within city-maintained right-of-way areas. Areas for improvement currently include Lakeshore Drive, Lincoln Street, Terra Cotta Road, Via De La Valle and Railroad Canyon Road.
- **ANNUAL CITYWIDE SIGN INVENTORY \$240,000**
  - Check reflectivity and inventory/GIS on all Citywide street signs with surveys in place. A contractor can provide a management system to replace signs that are not in compliance, so staff can begin to replace signs.
- **ANNUAL CITYWIDE SLURRY SEAL PROGRAM \$502,000**
  - This project includes the design, inspection, striping, monument preservation, and slurry sealing of asphalt paved roadways maintained by the City. Selected roadways are programmed annually for slurry seal in accordance with the City's Pavement Management Plan.
- **ANNUAL CITYWIDE SURFACE AND MINOR DRAINAGE IMPROVEMENTS \$765,000**
  - This ongoing project provides for the installation of new or replacement drainage facilities located within City right-of-way areas. The location will be determined by the updated Master Drainage Plan that depicts 12 different locations that will need to be upgraded.
- **ANNUAL CITYWIDE SURVEY & SIDEWALK IMPROVEMENTS \$520,000**
  - This is an on-going annual project for the repair and/or replacement of hazardous curbs, gutters, and sidewalks throughout the city as part of the City's Sidewalk Inspection Program. All the sidewalks are to be inspected yearly and construction will be done, if necessary. The contractor provides documents, repair recommendations, and a cost analysis for repairs which would identify the potential hazards citywide. The survey will be the basis for construction.
- **ANNUAL CITYWIDE TRAFFIC IMPROVEMENTS \$201,000**
  - Traffic safety improvements at various locations throughout the City. These improvements can include video detection, controllers, traffic-related studies and other safety improvements.
- **ANNUAL CITYWIDE TRAFFIC STRIPING PROGRAM \$340,000**
  - This project provides for repairing and/or replacing pavement markings, street striping and legends throughout the city. Our goal is to restripe Stop Bar & Legends in a thermal plastic coating which will extend the life of the striping for up to five years instead of one to two years with regular striping paint.
- **AUTO CENTER DRIVE BRIDGE SEISMIC RETROFIT \$965,000**
  - This project includes the seismic retrofit of the bridge over the San Jacinto River at Auto Center Drive.
- **AUTO CENTER DRIVE PAVEMENT REHABILITATION PROJECT \$965,000**
  - This project will include roadway rehabilitation treatments, including grind and overlay and surface drainage improvements. Project limits are Auto Center Drive from Franklin Street to the north and Diamond Drive to the south.
- **AVENUES MASTER PLAN STORM DRAIN PROJECT \$2,810,000**
  - Installation of drainage improvements from Lakeshore Dr. to Parkway to Avenue 1 to Mill Street and Avenue 2.
- **BOAT DOCK ADDITIONS \$1,100,000**
  - This project will make improvements to Launch Pointe and Seaport Boat Launch, including, but not limited to, replacing 2 docks at Seaport Boat Launch that were moved to Launch Pointe, adding 2 docks at Launch Pointe Resort, adding swim barriers, and adding wave attenuators.



- **BOAT LAUNCH MITIGATION RESTORATION \$73,070**
  - In 2010, the City entered into Streambed Alteration Agreement #1600-2007-0210-R6 (SAA) with the California Department of Fish and Wildlife (CDFW) to mitigate impacts resulting from the original excavation of the 11.5-acre Boat Launch Borrow Site (BLBS) as part of the Lake Elsinore Boat Launch Facility Project, completed in 2012. The previous efforts to mitigate the impacts of the BLBS were incomplete. They, therefore, failed to achieve performance standards for habitat mitigation, resulting in the need to prepare a new Habitat Mitigation and Monitoring Plan (HMMP) subject to review and approval by CDFW. This project implements the recently approved HMMP for the site and will satisfy the City's obligation pursuant to the SAA when completed.
- **BUILDING FACILITIES RENOVATIONS \$1,585,000**
  - This will improve City facilities, including HVAC replacements, windows, roofing, plumbing, electrical, lighting, exterior/interior wall, flooring, doors, LED parking lot light installation, shade structures, landscaping, concrete, drains, rain gutters, fencing, etc.
- **CAMINO DEL NORTE SEWER EXTENSION \$960,000**
  - Installation of an 8" sewer from Main Street to Future Elsinore Hills Road
- **CANYON HILLS PARK UPGRADES \$27,800**
  - This project will make improvements to Canyon Hills Park, including, but not limited to, artificial turf for at least one soccer/ football field, fresh mulch in landscape planters, renovated landscaping, replacing drinking fountains, picnic tables, benches, trash cans, and BBQ grills; installation of desirable palm trees to enhance the aesthetics of the park and provide additional shade, add additional lighting to the dog parks.
- **CITY HALL \$20,000,000**
  - The existing City Hall Facility requires major repairs and upgrades for Americans with Disabilities Act (ADA) compliance, mechanical, electrical, and security systems. There are four separate buildings with adjoining modifications comprising City administrative offices. Previous efforts have exhausted expansion possibilities as current office spaces are insufficient. The new facility will be approximately 35,000 square feet and connect to the existing City Hall. It will include the following amenities:
    - Open two-story glass entrance steel moment frame with wood stud walls/roof.
    - Fire engine in lobby.
    - Sliding glass entrance doors with metal detectors.
    - Interior elevator.
    - Public counters.
    - Council Chambers on 3rd floor with view of Lake.
    - Use red thin brick on exterior walls.
    - Restrooms.
    - Conference Room
- **CITY LIBRARY \$1,322,460**
  - This project includes the design and construction of a new City Library for the residents of Lake Elsinore.
- **CITYWIDE PARK IMPROVEMENTS \$1,300,800**
  - This project will make improvements to City parks including, but not limited to: fresh mulch in landscape planters and playgrounds, renovate landscaping, field renovations; replacement of drinking fountains, picnic tables, benches trash cans and BBQ grills; remove and replace rubberized playground surfacing; resurfacing of tennis and basketball courts; add shade structures for splash pads, picnic areas, bleachers and dugouts; add automatic locking mechanisms to park restroom buildings; repair or replace damaged cement areas i.e. lifted sidewalks; facility and structure repairs and upgrades; install new trash enclosures and enclose existing enclosures; parking lot slurry, striping and repairs; add backflow enclosures, repair or replace damaged fencing, add pickleball courts.
- **COLLIER AVENUE CULVERT DRAINAGE IMPROVEMENTS \$57,000**
  - Reconstruct the existing undersized 3' x 5' box culvert and headwalls with a 4' x 8' box culvert which crosses under Collier Avenue. Upsized culvert to alleviate recurring flooding in the area.
- **COMMUNITY CENTER \$215,970**
  - The proposed community center, spanning between 15,000 to 20,000 square feet, would offer a wide array of amenities and activities to cater to the diverse interests and needs of the entire community. The primary goal of the community center is to foster a sense of belonging, promote health and wellness, and facilitate social interactions among residents of all ages. With its expansive space, the center will house various facilities, such as state-of-the-art fitness areas, multi-purpose rooms for classes and workshops, indoor courts for basketball and volleyball, and dedicated spaces for children's activities. In addition, the community center will feature versatile event spaces capable of accommodating large gatherings, community meetings, and cultural events. These spaces will provide a platform for local organizations and groups to connect, collaborate, and showcase their talents and initiatives, strengthening community bonds and promoting civic engagement. One alternative option to a single large community center would be the construction of three strategically located neighborhood centers. Each center, spanning between 5,000 to 10,000 square feet, would be strategically placed in different areas of the city to ensure accessibility and convenience for residents across all neighborhoods. These neighborhood centers would feature similar amenities and programming as the larger community center, catering specifically to the needs of the local

community. They would act as smaller-scale recreation hubs, fostering a sense of community within each neighborhood while still being part of the larger city-wide network of facilities.

- **DOCK EXTENSION \$440,000**
  - Extend existing boat docks at Launch Pointe Resort by adding approximately 440' of additional dock sections to the existing infrastructure at Launch Pointe Resort.
- **DOWNTOWN MAIN STREET PARKING & LANDSCAPE IMPROVEMENT \$304,500**
  - This project will make improvements to the Main Street Corridor including, but not limited to parking, landscaping, and irrigation equipment within the City's Right-of-Way areas from Interstate 15 to Lakeshore Drive. Project scope to remove and replace all plant material and trees in the parkways and raised planters; repair or replace seating, sidewalks, site furnishings and street lighting; add two entry gateway arches over Main Street.
- **DOWNTOWN SIDEWALK IMPROVEMENTS - SB 821 \$455,300**
  - Construct ADA-compliant sidewalk, curb, gutter, and curb ramps on Sumner Avenue, Chestnut Street, Lakeshore Drive and other in-fill locations through the Downtown area, and Class II bicycle lanes on Sumner Ave to provide a safe route of travel and connectivity for pedestrians and bicyclists.
- **EMERGENCY OPERATIONS CENTER \$795,000**
  - This project will make improvements to the EOC facility. The EOC is the centralized location of emergency response and recovery support, operations during incidents. While tactical on-scene operations are conducted by the Incident Command Post, the EOC supports and helps coordinate ICP operations and any other adjacent incident operations.
- **GEDGE AVE AND TRELEVEN AVE PAVEMENT RESURFACING \$450,000**
  - Elsinore Valley Municipal Water District is constructing a parking lot adjacent to Gedge Avenue and Treleven Avenue, along with resurfacing the pavement on Gedge Avenue and Treleven Avenue.
- **GUNNERSON ST RIVERSIDE DR INTERSECTION TRAFFIC SIGNAL IMPROVEMENT \$160,000**
  - The project will install traffic signals and curb ramps, modify striping and signage, and relocate utilities at the intersection of Gunnerson Street and Riverside Drive.
- **HIGHWAY SAFETY IMPROVEMENTS (HSIP CYCLE 9) \$1,910,000**
  - Install advanced dilemma zone detection, protected left turns, and pedestrian countdown heads at ten (10) intersections throughout the City. The intersections are:
    - Lake Street / Temescal Canyon Road
    - Lake Street / Mountain Street
    - Grand Avenue / Broadway Street
    - Grand Avenue / Lincoln Street
    - Lakeshore Drive / Machado Street
    - Lakeshore Drive / Viscaya Street
    - Lakeshore Drive / Chaney Street
    - Mission Trail / Malaga Road
    - Central Avenue / Dexter Avenue
    - Canyon Hills Road / Cottonwood Canyon Road
- **I-15 FRANKLIN STREET INTERCHANGE IMPROVEMENT \$4,010,000**
  - The Plan Approval/Environmental Document (PA&ED) phase was completed concurrently with the Railroad Canyon Road Interchange Project in August 2017. The project will initiate Final Plans, Specifications, and Estimates (PS&E) for the development of plans, specifications, and construction cost estimates and obtaining any resource agency permits and right-of-way acquisition.
- **I-15 MAIN STREET INTERCHANGE LANDSCAPE IMPROVEMENT PROJECT \$850,000**
  - Landscape Improvements throughout the Main Street Interchange.
- **I-15 NICHOLS ROAD INTERCHANGE \$1,380,000**
  - This project will initiate the Project Study Report (PSR) and Plan Approval/Environmental Document (PA&ED) phase of work for future modifications to the existing I-15/Nichols Road Interchange. Scope of work for the phase includes: preparation of preliminary engineering alternative analysis, preparation of preliminary environmental analysis report (PEAR), traffic engineering performance assessment (TEPA), development of a cost estimate and project schedule, traffic impact analysis, value analysis, right-of-way engineering and appraisal, preparation of environmental studies, project management and coordination, preparation of final project report preparation of final environmental assessment report, and other reports as needed.
- **I-15 RAILROAD CANYON INTERCHANGE & I15/MAIN STREET INTERCHANGE ART PANEL PROJECT \$800,000**
  - Decorative and backlit art panels are located on abutment walls under the I-15/Railroad Canyon and I-15/Main Street freeway interchanges.
- **I-15 STATE ROUTE 74 INTERCHANGE \$3,600,000**
  - This project will initiate the Plan Approval/Environmental Document (PA&ED) phase of work for future modifications to the existing I- 15/SR 74 Interchange at Central Avenue. Proposed improvements include the construction of a northbound loop entry ramp with acceleration/deceleration lanes; realignment of the northbound entry/exit ramps; widening of the southbound entry/exit ramps, including acceleration/deceleration lanes; widening

of SR 74 from Riverside Drive to Central Avenue from two (2) to four (4) lanes; widening of Collier Avenue to Cambern Avenue from six (6) to eight (8) lanes; and construction of the Riverside Drive overcrossing and road extensions.

- **LA STRADA EXTENSION \$250,000**

- This project will extend La Strada west to Camino Del Norte with two (2) lanes in each direction along its entire length with a painted median.

- **LAKESHORE SIDEWALK IMPROVEMENTS - SB 821 \$655,500**

- Construct an ADA-compliant sidewalk, curb, gutter and curb ramps on Lakeshore Drive to Herbert. Work will include minor grading behind pavement, and installation of curb, gutter, sidewalk, and ramps.

- **LAUNCH POINTE AMENITY IMPROVEMENTS \$880,000**

- Launch Pointe's proposed Capital Improvement Project aims to enhance the guest experience. To do this, the proposed project will create a new open-air concept group area, make improvements to Vintage Village, improve slopes at the splash pad and playground, and add activities to the beach at Launch Pointe.
- The new group space will accommodate multiple setups for weddings, family reunions, corporate retreats, and other gatherings with glass garage doors for privacy and stunning lake views. The small kitchen will offer basic amenities, allowing guests to prepare and cook their meals while enjoying the company of friends and family.
- Launch Pointe's Vintage Village is a unique area that offers guests a one-of-a-kind experience. To ensure the area remains a premier destination, the proposed project includes adding a perimeter fence with gabion walls, improved restrooms, market lights, and designated entrances exclusive to Vintage Village guests and events. The perimeter fence with gabion walls will provide a clear boundary for the Vintage Village and add a visual appeal to the area. The improved restrooms will enhance guest comfort and satisfaction, while market lights will create a warm and inviting ambiance in the evenings. The designated entrances exclusive to Vintage Village guests and events will create a sense of exclusivity and enhance the overall guest experience.
- Improvements to the slopes at the splash pad and playground will create reservable spaces like cabanas at the Splash Pad and group picnic areas at the Playground, allowing guests to enjoy the areas with added comfort and convenience. The reservable spaces will include amenities like seating, tables, and shade structures to enhance the guest experience.

- **LEVEE & INLET CHANNEL SLOPE REPAIRS \$500,000**

- This project will make needed and necessary repairs to the north side of the inlet channel slope by filling large washouts, stabilizing the slope and repairing the fence line. Repairs will also be made to a levee maintenance road that had a large portion fail and has rendered a portion of the road unusable.

- **MAIN STREET INTERCHANGE IMPROVEMENTS \$8,000,000**

- This project provides for improvements to Main Street from two (2) lane to four (4) lane, Northbound on & off improvements, Southbound off-ramp widening at the intersection, and installation of a traffic signal at the ramps & intersection of Camino Del Norte and Main Street.

- **MAIN STREET PEDESTRIAN SAFETY IMPROVEMENTS AND INFORMATION TECHNOLOGY INFRASTRUCTURE PROJECT \$2,925,000**

- The Main Street Pedestrian Safety Improvements and Information Technology Infrastructure Project is designed to improve the Main Street Civic Center and Commercial Corridor from Lakeshore Drive to the I-15 interchange. The project consists of many different improvements and design disciplines. The utility infrastructure will consist of utility duct banks with lateral conduits to streetlights and planters. Conduits will be utilized to provide electricity, internet connectivity, power to streetlights and low voltage irrigation wiring. There will be intersection and crosswalk enhancements at various intersections. Enhancements will consist of a combination of decorative pavement, stamped colored concrete, paver or brick inlays. All existing accessible ramps will be assessed for ADA compliance and the ramps that are deficient will be reconstructed. Also, cross gutters will be installed at certain intersections to provide proper drainage and to eliminate ponding. An inset pedestrian flashing light system will be installed at the existing crosswalk in front of City Hall. Approximately 88 bollards will also be installed to facilitate the closure of Main Street for a variety of special community events. Lastly, Main Street asphalt paving will be resurfaced and will be restriped from Lakeshore Drive to the I-15 interchange.

- **MOUNTAIN & AVOCADO WAY TRACT PAVING REHABILITATION (ADJACENT TO RUNNING DEER) \$1,545,000**

- Pavement rehabilitation for the streets within the tract at Mountain Street and Avocado Way adjacent to Running Deer.

- **MURRIETA CREEK REGIONAL TRAIL CONNECTION \$910,000**

- Acquire easement behind Serenity neighborhood to establish a connection from the MCRT to the Levee Trail (completing the City's connections for the MCRT). Develop easement and Levee Trail with 10' paved bike path and decomposed granite shoulders with solar lighting and retaining wall with screening (vegetation or artist mural). Implement wayfinding signage along MCRT and Levee Trail in accordance with ATP sign guidelines.

- **POPE CIRCLE IMPROVEMENTS \$580,000**

- Pope Circle is subject to a large amount of ponding during rainstorms and creates a vector issue. This project seeks to address the ponding on Pope Circle through various design options. An in-depth design with cost/benefit analysis is desired to identify the best construction option.





- **RAILROAD CANYON ROAD SAFETY IMPROVEMENTS PROJECT \$350,000 SAFETY LIGHTING \$125,030**
  - Signal Hardware and Signal timing improvements, relocate utility poles, and install guardrail along the relocated utility poles at Church Road, High Friction Surface Treatment (HFST), and other safety improvements.
- **SAFETY LIGHTING \$125,030**
  - This project will purchase and install solar streetlights in areas with little to no lighting.
- **SERENITY PARK FITNESS TRAIL \$350,000**
  - Install 12 new pieces of fitness equipment, including accessible units, install ADA ramp to fitness trail, new DG path and ground cover. Project is part of CA State Parks Per Capita Grant proposal.
- **SPECIAL NEEDS MULTI-SPORT PARK \$1,000,000**
  - The proposed project is a capital improvement initiative that seeks to renovate Summerhill park into a special needs multi-sport park. The park will be transformed into an inclusive and accessible environment that caters to local champion league participants as well as visitors from neighboring regions. The primary objective of the project is to create a space where individuals with special needs can engage in various sports activities, including baseball, soccer, and other multi-sport activities. The park will feature an artificial turf field with a baseball layout that is designed to meet the needs of individuals with different abilities. In addition to the sports field, the park will also include an accessible playground structure that is equipped with sensory play elements, slides, swings, and other interactive features that cater to children with physical and cognitive disabilities. The playground will be designed to provide a safe and engaging space for children to play and interact with their peers, fostering socialization and inclusion. The project will involve significant renovations to the existing park infrastructure, including the installation of new sports equipment, safety features, and accessibility enhancements. The renovated park will also include restrooms, picnic areas, and other amenities that are essential for an enjoyable park experience. The proposed special needs multi-sport park will not only provide a much-needed recreational space for the local champion league participants but also attract visitors from neighboring regions. The park will serve as a regional attraction, contributing to the economic growth of the community. Overall, this capital improvement project is aimed at creating an inclusive and accessible environment that provides individuals with special needs the opportunity to participate in sports activities and socialize with their peers.
- **SPORTSPLEX \$1,000,000**
  - Four field baseball/softball sportsplex and outdoor amphitheater with concession stand, restrooms, and parking. Potential locations are the parcel south of Lakepointe Park, parcel at Spring/Limited with a pedestrian bridge connection to Swick and Match, or other location.
- **STORM DRAIN CATCH BASIN INLET FILTER INSTALLATION \$150,000**
  - Install MS4 inlet filters to comply with the mandate of the MS4 permit system.
- **SUMMERHILL DRIVE PAVEMENT REHABILITATION \$1,820,000**
  - Pavement Rehabilitation of Summerhill Drive from Canyon Estates Drive to Ponte Russo.
- **TEMESCAL CANYON BRIDGE REPLACEMENT & ROAD WIDENING PHASE I \$205,000**
  - This project includes the design, right-of-way acquisition, and construction of a four-lane bridge across Temescal Canyon wash.
- **TERRA COTTA ROAD STREET IMPROVEMENT \$557,800**
  - Widen Terra Cotta Road to the ultimate road section per the City's General Plan Circulation Element. Improvements also include the ultimate intersection improvements at Nichols Road and Terra Cotta Road.
- **THE RESERVE AT LAUNCH POINTE \$1,000,000**
  - The proposed capital improvement project to expand The Reserve at Launch Pointe has the potential to significantly increase revenues for Launch Pointe. The addition of up to 10 park models will allow for additional lodging options, which can increase occupancy rates and generate more revenue from overnight stays. Additionally, the new rustic venue will provide a unique space for events such as weddings, corporate retreats, and family reunions, which can generate additional revenue from event bookings. The exclusive pool and premium spaces for class A motorhomes will also attract guests seeking a more luxurious experience, allowing for higher rates and potentially longer stays. These enhancements will help Launch Pointe appeal to a wider range of guests, attracting more visitors to the resort and increasing overall revenue. With the expansion of The Reserve at Launch Pointe, Launch Pointe can continue to grow and thrive as a premier RV resort destination in Southern California.
- **TUSCANY HILLS PARK IMPROVEMENTS \$127,800**
  - This project includes but not limited to upgrading the snack bar/restroom facilities, roofing repairs, automatic locking doors for the restrooms; enlarging and enclosing the trash enclosure; field renovations and fencing repair; adding additional picnic tables, benches, BBQ grills and trash cans within Tuscany Hills Park.

## Project Summary by Type

		Actuals To						Total Project	Cost To
Project	Source of Funds	Date	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY2027-28	Cost	Complete
<u>Circulation</u>									
Annual Citywide Programs - Asphalt Maintenance Program	Measure A		500,000	500,000	500,000	525,000	535,000	2,560,000	
	Measure Z		1,500,000	1,500,000	1,500,000	1,475,000	1,465,000	7,440,000	10,000,000
Dirt Road Paving	AB2766		340,150					340,150	
	Gas Tax		159,660					159,660	
	Unspecified			1,540,190	1,020,000	1,020,000	1,025,000	4,605,190	5,105,000
Traffic Improvements	TIF		201,000	201,000	201,000	201,000	201,000	1,005,000	1,005,000
Landscape Renovation	Measure Z		2,000,000					2,000,000	
	Unfunded			4,020,000	3,010,000	3,010,000	3,010,000	13,050,000	15,050,000
Sidewalk Improvements	Unfunded			410,000	205,000	205,000	205,000	1,025,000	1,025,000
Sign Inventory	Measure Z		227,540	240,000	240,000	240,000	240,000	1,187,540	
	TIF		12,460					12,460	1,200,000
Slurry Seal Program	Measure A		502,000	502,000	530,000	530,000	551,100	2,615,100	2,615,100
Surface & Minor Drainage Improvements	American Rescue Plan Act		232,790					232,790	
	Storm Drain		532,210					532,210	
	Unspecified			770,000	770,000	770,000	770,000	3,080,000	3,845,000
Survey and Sidewalk Improvements	Measure A		310,000	508,635	520,000	540,000	550,000	2,428,635	
	Traffic Impact Fee		210,000					210,000	
	Unspecified			11,365				11,365	2,650,000
Traffic Striping	Measure A		330,000	330,000	340,000	340,000	350,000	1,690,000	
	Gas Tax		10,000	10,000				20,000	1,710,000
Auto Center Drive Bridge Retrofit	Grant	392,792		2,000,000				2,392,792	
	Measure Z	146,928	965,000	2,047,000				3,158,928	5,012,000
Auto Center Drive Pavement Rehabilitation	Measure Z		965,000					965,000	965,000
Avenue6/Irwin Sidewalk Project	Unspecified			460,000				460,000	460,000
Broadway Tract Paving	SB 1			2,001,200				2,001,200	2,001,200



		Actuals To						Total Project	Cost To
Project	Source of Funds	Date	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY2027-28	Cost	Complete
<u>Circulation -</u>									
<u>Continued</u>									
Downtown Main Street Parking & Landscape Improvements	Measure Z		304,500	2,000,000				2,304,500	2,304,500
Downtown Sidewalk Improvements - SB 821	Measure A	28,656	198,960					227,616	
	Measure Z		52,640					52,640	
	SB821	28,656	203,700					232,356	455,300
East Lake Circulation	Unspecified						10,188,685	10,188,685	10,188,685
Gedge and Treleven Avenue Pavement Resurfacing	American Rescue Plan Act		367,110					367,110	
	Measure Z		82,890					82,890	450,000
Gunnerson St. Riverside Dr. Intersection Traffic Signal Improvements	Measure Z		160,000	760,000				920,000	920,000
Highway Safety Improvements (HSIP) 9	Grant	144,218	1,204,680					1,348,898	
	Measure Z		705,320					705,320	1,910,000
Highway Safety Improvements (HSIP) 11	Grant			225,000				225,000	
	Unspecified			100,000				100,000	325,000
I-15/Franklin Street Interchange	Measure Z		1,010,000	1,010,000				2,020,000	
	TUMF		3,000,000	3,000,000				6,000,000	
	Unspecified					12,000,000	80,000,000	92,000,000	100,020,000
I-15/Main Street Landscape Improvements	Measure Z		850,000	250,000				1,100,000	1,100,000
I-15/Nichols Road Interchange	Measure Z		380,000	5,000				385,000	
	TUMF		1,000,000	3,000,000				4,000,000	
	Unspecified				4,500,000	35,000,000		39,500,000	43,885,000
I-15/Railroad Canyon and I-15/Main Street Art Panels	Measure Z	7,488	800,000					807,488	800,000





		Actuals To					Total Project	Cost To	
Project	Source of Funds	Date	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY2027-28	Cost	Complete
<u>Circulation -</u>									
<u>Continued</u>									
I-15/State Route 74									
Interchange	Measure A	184,696	308,000					492,696	
	Measure Z	41,607	192,000					233,607	
	TUMF	1,913,926	3,100,000			35,000,000		40,013,926	38,600,000
La Strada Extension	La Strada RBBD		23,831					23,831	
	Measure Z	147,178	226,169					373,347	
	Unspecified						28,110,195	28,110,195	28,360,195
Lake Street Widening	Unspecified					3805000	32,263,909	36,068,909	36,068,909
Lakeshore/Machado									
Sidewalk									
Improvements - SB 821	Measure Z		467,220					467,220	
	SB821	20,923	188,280					209,203	655,500
Main Street									
Interchange	Grant	3,969,460	6,300,000					10,269,460	
	Measure Z	5,893	1,700,000					1,705,893	8,000,000
Main Street Pedestrian									
Safety and IT									
Infrastructure	Grant		425,000					425,000	
	Measure Z	33,309	1,285,640					1,318,949	
	PEG		104,670					104,670	
	SB 1	127,134	1,109,690					1,236,824	2,925,000
Mountain & Avocado									
Way Tract Paving									
Rehab	Gas Tax		490,960					490,960	
	Measure Z		143,990					143,990	
	SB 1		910,050					910,050	1,545,000
Nichols Road									
Improvements	TUMF					4,000,000		4,000,000	
	Unspecified					17,805,591		17,805,591	21,805,591
Railroad Canyon Safety									
Improvements	Measure Z		350,000	400,000	400,000			1,150,000	
	Unspecified			1,400,000	1,434,650			2,834,650	3,984,650
Safety Lighting	Grant		125,030					125,030	125,030
SB1 Pavement Projects	SB 1				1,332,387	1,332,387	1,332,387	3,997,161	3,997,161
Spring Street Sidewalk									
Project	Unspecified			380,000				380,000	380,000



		Actuals To						Total	Cost To
Project	Source of Funds	Date	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY2027-28	Project Cost	Complete
<u>Circulation -</u>									
<u>Continued</u>									
State Route 74									
Widening	Unspecified					11,550,000		11,550,000	11,550,000
Summerhill									
Drive									
Extension	Unspecified						33,000,000	33,000,000	33,000,000
Summerhill									
Drive									
Pavement									
Rehabilitation	Capital Improvement		1,820,000					1,820,000	1,820,000
Temescal									
Canyon Bridge									
& Road									
Widening									
Phase I	Grant	2,292,501	205,000		21,000,000			23,497,501	21,205,000
Terra Cotta									
Road Street									
Improvements	Measure Z	132,174	557,800	2,410,000	1,910,000			5,009,974	4,877,800
TOTAL CIRCULATION PROJECTS		\$ 9,617,539	\$39,350,940	\$31,991,390	\$ 39,413,037	\$129,348,978	\$193,797,276	\$443,519,160	\$ 433,901,621

**Facilities**

Amphitheater	Unspecified			4,500,000				4,500,000	4,500,000
Aquatics Center	Unspecified				40,000,000			40,000,000	40,000,000
Building Facilities Renovations	Capital Improvement		1,405,000					1,405,000	
	Measure Z		180,000					180,000	
	Unspecified			2,415,000	2,000,000	2,000,000	2,000,000	8,415,000	10,000,000
City Hall	Capital Improvement	2,181,568	19,949,400	8,948,388				31,079,356	
	City Hall/PW	246,039	50,600	51,612				348,251	29,000,000
City Library	Library DIF	691,198	1,322,460	65,602				2,079,260	
	Unspecified			10,934,398				10,934,398	12,322,460
Community Center	Community Center DIF		215,970					215,970	
	Unspecified			5,784,030	12,000,000			17,784,030	18,000,000
Emergency Operations Center Improvements	American Rescue Plan	371,145	600,000					971,145	
	Measure Z	875	195,000					195,875	795,000
<b>TOTAL FACILITIES PROJECTS</b>		<b>\$ 3,490,825</b>	<b>\$23,918,430</b>	<b>\$32,699,030</b>	<b>\$ 54,000,000</b>	<b>\$ 2,000,000</b>	<b>\$ 2,000,000</b>	<b>\$118,108,285</b>	<b>\$ 114,617,460</b>



		Actuals To						Total Project	Cost To
Project	Source of Funds	Date	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY2027-28	Cost	Complete
<u>Infrastructure</u>									
Avenues Drainage Improvements	NPDES	44,245	667,020					711,265	
	Storm Drain	293,295	2,142,980					2,436,275	2,810,000
Camino Del Norte Sewer Extension	American Rescue Plan	66,806	960,000					1,026,806	960,000
Citywide Electric Vehicle Charging Stations	Grant				520,000			520,000	
	Unspecified				130,000			130,000	650,000
Collier Avenue Culvert Drainage Improvements	Storm Drain		57,000					57,000	
	Unspecified			600,000				600,000	657,000
Main Street Archway	Unspecified			680,000				680,000	680,000
Murrieta Creek Regional Trail Connection	Grant	684,948	760,000	3,904,000				5,348,948	
	Measure Z		150,000	1,746,000				1,896,000	6,560,000
Pope Circle Improvements	Storm Drain		580,000					580,000	580,000
Rice Canyon Revetment	Grant			120,000	255,000	500,000	500,000	1,375,000	
	Unspecified			1,125,000				1,125,000	2,500,000
Storm Drain Catch Basin Inlet Filter Installation	NPDES		150,000	150,000	150,000	150,000	150,000	750,000	750,000
Third Street Drainage Improvements - Phase III	Unspecified			1,067,024	567,024			1,634,048	1,634,048
TOTAL									
INFRASTRUCTURE									
PROJECTS		\$ 1,089,294	\$ 5,467,000	\$ 9,392,024	\$ 1,622,024	\$ 650,000	\$ 650,000	\$ 18,870,342	\$ 17,781,048



		Actuals To						Total Project	Cost To
Project	Source of Funds	Date	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY2027-28	Cost	Complete
<u>Parks</u>									
Alberhill Villages Sports Park	Unspecified						45,000,000	45,000,000	45,000,000
Aquatic Ecosystem Restoration	Measure Z		125,000	125,000			1,125,000	1,375,000	1,375,000
Boat Dock Additions	Capital Improvement		1,100,000					1,100,000	1,100,000
Boat Launch Mitigation	Capital Improvement	1,351,809	73,070					1,424,879	73,070
Canyon Hills Park Upgrades	Capital Improvement	4,425,137	27,800	482,200				4,935,137	510,000
City Park Improvements	CDBG		1,010,020					1,010,020	1,010,020
Citywide Park Improvements	Capital Improvement	5,671,839	1,249,700	2,239,200				9,160,739	
	Quimby		51,100					51,100	3,540,000
Dock Extension	Lakeside DIF		326,970					326,970	
	Measure Z		113,030					113,030	440,000
Lake Revitalization Plan	Unspecified			1,000,000				1,000,000	1,000,000
Launch Pointe Amenity Improvements	Capital Improvement		880,000					880,000	880,000
Levee and Inlet Channel Slope Repairs	Measure Z		500,000					500,000	500,000
Parks Master Plan Update	Measure Z		500,000					500,000	500,000
Serenity Park Fitness Trail	Capital Improvement		350,000					350,000	350,000
Serenity Park Improvements	Unspecified			800,000	500,000			1,300,000	1,300,000
Snack Bar Improvements	Measure Z			400,000				400,000	400,000
Special Needs Multisport Park	Measure Z		1,000,000					1,000,000	
	Unspecified			3,030,000	1,970,000			5,000,000	6,000,000
Splash Pads	Unspecified			1,025,000	1,025,000			2,050,000	2,050,000



Project	Source of Funds	Actuals To						Total Project	Cost To
		Date	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY2027-28	Cost	Complete
<b><u>Parks-Continued</u></b>									
Sportsplex	Measure Z		1,000,000					1,000,000	
	Unspecified			7,000,000	2,000,000			9,000,000	10,000,000
Summerly Park									
Improvements	Unspecified			1,100,000				1,100,000	1,100,000
The Reserve at	Capital								
Launch Pointe	Improvement		1,000,000					1,000,000	
	Unspecified			2,000,000				2,000,000	3,000,000
Tuscany Hills Park	Capital								
Improvements	Improvement	812,472	127,800	172,200				1,112,472	300,000
TOTAL PARKS									
PROJECTS		\$12,261,257	\$ 9,434,490	\$19,373,600	\$ 5,495,000	\$ -	\$ 46,125,000	\$ 92,689,347	\$ 80,428,090
TOTALS		\$26,458,915	\$78,170,860	\$93,456,044	\$100,530,061	\$131,998,978	\$242,572,276	\$673,187,134	\$ 646,728,219



## Annual Operating & Maintenance Cost

Project	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
<b><u>Circulation</u></b>					
Annual Citywide Programs -					
ANNUAL CITYWIDE ASPHALT MAINTENANCE PROGRAM	-	-	-	-	-
ANNUAL CITYWIDE DIRT ROAD PAVING PROGRAM	-	1,000	1,020	1,040	1,061
ANNUAL CITYWIDE TRAFFIC IMPROVEMENTS	-	-	-	-	-
ANNUAL CITYWIDE LANDSCAPE RENOVATION	-	1,400	1,428	1,457	1,486
ANNUAL CITYWIDE SIDEWALK IMPROVEMENTS	-	500	510	520	530
ANNUAL CITYWIDE SIGN INVENTORY	-	-	-	-	-
ANNUAL CITYWIDE SLURRY SEAL PROGRAM	-	-	-	-	-
ANNUAL CITYWIDE SURFACE & MINOR DRAINAGE IMPROVEMENTS	-	-	-	-	-
ANNUAL CITYWIDE SURVEY & SIDEWALK IMPROVEMENTS	-	-	-	-	-
ANNUAL CITYWIDE TRAFFIC STRIPING IMPROVEMENTS	-	-	-	-	-
AUTO CENTER DRIVE BRIDGE RETROFIT	-	-	-	-	-
AUTO CENTER DRIVE PAVEMENT REHABILITATION PROJECT	-	-	-	-	-
AVENUE 6/IRWIN SIDEWALK PROJECT	-	-	-	-	-
BROADWAY TRACT PAVING	-	-	-	-	-
DOWNTOWN MAIN STREET PARKING & LANDSCAPE IMPROVEMENT	-	-	-	-	-
DOWNTOWN SIDEWALK IMPROVEMENTS - SB821	-	10,000	10,200	10,400	10,600
EAST LAKE CIRCULATION	-	-	-	-	-
GEDGE ST. & TRELEVEN AVE. RESURFACING	-	-	-	-	-
GUNNERSON ST RIVERSIDE DR INTERSECTION TRAFFIC SIGNAL IMPRVMT	-	-	-	-	-
HIGHWAY SAFETY IMPROVEMENTS CYCLE 9	-	-	-	-	-
HIGHWAY SAFETY IMPROVEMENTS CYCLE 11	-	-	-	-	-
I-15 FRANKLIN STREET INTERCHANGE IMPROVEMENT	-	-	-	-	-
I-15/MAIN STREET INTERCHANGE LANDSCAPE IMPROVEMENT	-	-	-	-	-
I-15/NICHOLS ROAD INTERCHANGE	-	-	-	-	-
I15/RAILROAD CANYON INTERCHANGE & I15/MAIN ST ART PANEL	-	-	-	-	-
I-15/STATE ROUTE 74 INTERCHANGE PROJECT	-	-	-	-	-
LA STRADA EXTENSION	-	-	-	-	-
LAKE STREET WIDENING	-	-	-	-	-
LAKESHORE/MACHADO SIDEWALK IMPROVEMENTS - SB821	-	10,000	10,200	10,400	10,600
MAIN STREET INTERCHANGE IMPROVEMENTS	-	-	-	-	-
MAIN STREET PEDESTRIAN SAFETY IMPROVEMENTS AND IT	-	500	1,000	1,020	1,040
MOUNTAIN & AVOCADO WAY TRACT PAVING REHAB	-	-	-	-	-
NICHOLS ROAD IMPROVEMENTS	-	-	-	-	-
RAILROAD CANYON ROAD SAFETY IMPROVEMENTS	-	-	-	-	-
SAFETY LIGHTING	-	-	500	560	570
SB1 PAVEMENT PROJECT FY25-26	-	-	-	-	-
SB1 PAVEMENT PROJECT FY26-27	-	-	-	-	-
SB1 PAVEMENT PROJECT FY27-28	-	-	-	-	-
SPRING STREET SIDEWALK PROJECT	-	-	10,000	10,200	10,400
STATE ROUTE 74 WIDENING	-	-	-	-	-
SUMMERHILL DRIVE EXTENSION	-	-	-	-	-
SUMMERHILL DRIVE PAVEMENT REHABILITATION	-	-	-	-	-
TEMESCAL CANYON ROAD - BRIDGE & ROAD WIDENING PHASE I	-	-	-	-	-
TERRA COTTA ROAD STREET IMPROVEMENT PROJECT	-	-	-	-	-
<b>Total Circulation Projects</b>	<b>\$ -</b>	<b>\$ 23,400</b>	<b>\$ 34,858</b>	<b>\$ 35,597</b>	<b>\$ 36,287</b>



Project	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
<b><u>Facilities</u></b>					
AMPHITHEATER	-	-	2,000	2,000	2,000
AQUATICS CENTER	-	-	-	20,000	21,000
BUILDING FACILITIES RENOVATIONS	-	-	-	-	-
CITY HALL	-	-	20,000	20,000	20,000
CITY LIBRARY	-	-	30,000	30,000	30,000
COMMUNITY CENTER	-	-	-	-	550,000
EMERGENCY OPERATIONS CENTER	-	10,000	10,200	10,404	10,612
<b>Total Facilities Projects</b>	<b>\$ -</b>	<b>\$ 10,000</b>	<b>\$ 62,200</b>	<b>\$ 82,404</b>	<b>\$ 633,612</b>
<b><u>Infrastructure</u></b>					
AVENUES MASTER PLAN STORM DRAIN PROJECT	-	-	-	-	-
CAMINO DEL NORTE SEWER EXTENSION	-	1,000	1,020	1,040	1,061
CITYWIDE ELECTRIC VEHICLE CHARGING STATIONS	-	-	-	-	-
COLLIER AVENUE DRAINAGE IMPROVEMENTS	-	-	-	-	-
MAIN STREET ARCHWAY	-	-	-	-	-
MURRIETA CREEK REGIONAL TRAIL CONNECTION	-	-	10,000	10,200	10,404
POPE CIRCLE IMPROVEMENTS	-	-	-	-	-
RICE CANYON REVETMENT	-	-	-	-	-
STORM DRAIN CATCH BASIN INLET FILTER INSTALLATION	-	-	-	-	-
THIRD STREET DRAINAGE IMPROVEMENT - PHASE III	-	-	-	-	-
<b>Total Infrastructure Projects</b>	<b>\$ -</b>	<b>\$ 1,000</b>	<b>\$ 11,020</b>	<b>\$ 11,240</b>	<b>\$ 11,465</b>
<b><u>Parks</u></b>					
ALBERHILL VILLAGE SPORTS PARK	-	-	-	-	-
AQUATIC ECOSYSTEM RESTORATION PROJECT	-	-	-	-	-
BOAT DOCK ADDITIONS	-	1,000	1,020	1,040	1,061
BOAT LAUNCH MITIGATION	-	-	-	-	-
CANYON HILLS PARK UPGRADES	-	2,550	2,601	2,653	2,706
CITY PARK IMPROVEMENTS	-	2,550	2,601	2,653	2,706
CITYWIDE PARK IMPROVEMENTS	-	2,550	2,601	2,653	2,706
DOCK EXTENSION	-	-	-	-	-
LAKE REVITALIZATION PLAN	-	-	300,000	300,000	300,000
LAKEPOINT PARK	-	1,000	1,020	1,040	1,061
LAUNCH POINTE AMENITY IMPROVEMENTS	-	3,000	3,030	3,060	3,090
LEVEE & INLET CHANNEL SLOPE REPAIRS	-	1,000	1,020	1,040	1,061
PARKS MASTER PLAN UPDATE	-	-	-	-	-
SERENITY PARK FITNESS TRAIL	-	1,000	1,020	1,040	1,061
SERENITY PARK IMPROVEMENTS	-	-	-	-	-
SNACK BAR IMPROVEMENTS	-	1,000	1,020	1,040	1,061
SPECIAL NEEDS MULTI-SPORT PARK	-	-	30,000	30,600	31,212
SPLASH PADS	-	-	60,000	120,000	120,000
SPORTSPLEX	-	-	-	330,000	330,000
SUMMERLY PARK IMPROVEMENTS	-	-	1,000	1,020	1,040
THE RESERVE AT LAUNCH POINTE	-	-	30,000	31,000	32,000
TUSCANY HILLS PARK RENOVATION	-	-	-	-	-
<b>Total Parks Projects</b>	<b>\$ -</b>	<b>\$ 15,650</b>	<b>\$ 436,933</b>	<b>\$ 828,839</b>	<b>\$ 830,765</b>
<b>Totals</b>	<b>\$ -</b>	<b>\$ 50,050</b>	<b>\$ 545,011</b>	<b>\$ 958,080</b>	<b>\$ 1,512,129</b>



## Description of Revenue Sources

**Air Quality Management District (AQMD)** - An intergovernmental agency established to monitor air quality within a region and to Implement State and Federal air quality standards through the development of regional air quality plans and regulations. Programs are funded in part or fully with AB2766 Subvention Funds and made available to local governments.

**American Rescue Plan** - This bill provides additional relief to address the continued impact of COVID-19 (i.e., coronavirus disease 2019) on the economy, public health, state and local governments, individuals, and businesses.

**Assembly Bill 2766 (AB2766)** - State funds that are available to implement programs and projects that reduce air pollution from motor vehicles.

**Assessment District** - Bonds are issued to generate proceeds to be used to finance the construction of various capital improvements. Bonds are repaid using assessments received from benefiting property owners within the district property boundaries.

**Community Development Block Grant (CDBG)** - Federal funds allocated to local government, based on a formula, but required to be applied for and used within a broad functional area such as community development.

**Community Facilities District (CFD)** - A tool that allows the City to construct desired and authorized public improvements with costs of the projects paid for by the benefited properties within the boundaries of a designated area. The costs are then financed through the issuance of bonds payable over a period of years.

**Development Impact Fees (DIF)** - Fees generated by development applications to offset the effect of development to include infrastructure, fire protection, public facilities and services, libraries, roads, schools, parks, traffic signal mitigation, and open space/public art.

**Federal Highway Administration (FHWA)** - The Federal Highway Administration (FHWA) provides stewardship over the construction, maintenance and preservation of the Nation's highways, bridges and tunnels. FHWA also conducts research and provides technical assistance to state and local agencies in an effort to improve safety, mobility, and livability, and to encourage innovation.

**Gas Tax** - The City maintains this fund to account for Highway User's Tax revenues received from the State of California under Sections 2103, 2105, 2107, and 2107.5 of the Streets and Highways Code.

**General Projects** - City General Funds retained for capital improvement projects.

**Grants** - Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose.

**Highway Bridge Rehabilitation & Replacement (HBRR)** - Authorized by the Federal Transportation Equity Act for the 21st Century (TEA -21), this program provides for the replacement or rehabilitation of public highway bridges over waterways, other topographical barriers, other highways, or railroads.

**Measure A (Local Streets and Roads)** - Funds generated from the on-half percent sales tax levied throughout Riverside County to carry out transportation projects by the county and cities.

**Measure Z** - locally controlled one-cent, or one percent, transactions and use tax to generate unrestricted general fund dollars to address City service, public safety and local recovery needs.

**National Pollutant Discharge Elimination System (NPDES)** - Permit program that controls water pollution by regulating point sources that discharge pollutants into water of the United States.

**Public Improvement in Lieu** - A property owner or land developer may elect to construct capital improvement(s) in lieu of paying fees.

**Quimby** - The City's park-in-lieu or park development fee is assessed under provisions of the Subdivision Map Act which allows the City to require the dedication of land or the payment of a fee in lieu of land to be used for the purchase (or development) of park property.



**Road and Bridge Benefit District (RBBD)** - Road and Bridge Benefit Districts were established to provide funding for the cost of road and bridge improvements to an established area of benefit. The District fees are assessed on new development projects.

**Rule 20A (Southern California Edison)** - The California Public Utilities Commission's (CPUC) Rule 20 sets policies and procedures for the conversion of overhead power lines and other equipment to underground facilities, a process called "undergrounding". Rule 20A projects are paid for by all Southern California Edison (SCE) ratepayers. The city and county governments choose these projects and apply for funding.

**Senate Bill 821 Bicycle and Pedestrian Facilities Program** - Each year 2% of the Local Transportation Fund revenue is made available through the Riverside County Transportation Commission's SB 821 Program for active modes of transportation projects such as sidewalks, access ramps, and bicycle plan development.

**State Highway Operation and Protection Program (SHOPP)** - A Ten-Year plan prepared by Caltrans which provides input for the funding distribution in the State Transportation Improvement Program (STIP) Fund estimates.

**State Transportation Program Local (STPL)** - The State Transportation Program for Local agencies is the biennial five-year plan adopted by the Commission for future allocations of certain state transportation funds for state highway improvements, intercity rail, and regional highway and transit improvements.

**Successor Agency** - This fund is used to account for the successor agency housing and administration activities as a result of the State's dissolution of Redevelopment Agencies.

**Transportation Uniform Mitigation Fee (TUMF)** - Multi-jurisdictional development impact fee paid for by new development to provide the transportation infrastructure necessary to accommodate new development.

**Total Road Improvement Programs (T.R.I.P.)** - California Statewide Communities Development Authority (CSCDA) offers a pooled securitization program to assist local agencies in bonding against future Measure A payments to obtain funding for more projects today. The program does not require a pledge of general fund monies.

**Unspecified** - Funds that have not been identified for various proposed projects.

## Debt Administration

In February 1990, the Public Financing Authority was authorized to issue \$500,000,000 in revenue bonds for the purpose of enabling the Public Financing Authority to acquire certain qualified obligations (the "Local Obligations") of the City or the former Redevelopment Agency. The Bonds were issued to provide funds to finance the acquisition or construction of land, buildings, equipment and other capital improvements. In September 2013, \$14,460,000 principal amount of 2013 Revenue Refunding Bonds, Series A, was issued in accordance with the indenture to provide funds to advance refund the 2000 Revenue Refunding Bonds, Series A. The original purpose of the prior bonds was to finance the Authority's lease of certain City recreation facilities from the City for lease back to the City. In October 2014, \$7,965,000 principal amount of Certificates of Participation, Series 2014A, was issued for various street improvement projects. The City has pledged a portion of future Measure A revenues to repay the Certificates of Participation 2014 Series A. The City's certificates of participation is payable solely from the Measure A revenues.

Issue Date	Entity	Description	Remaining Principal	Remaining Interest	Maturity Date	Bond Rating
2014	PFA	Local Agency Revenue Bond Series B	\$14,530,000	\$5,910,394	9/1/2040	A
2015	PFA	Local Agency Revenue Bond	\$76,285,000	\$33,939,875	9/1/2040	A
2017	LEFFA	Local Agency Revenue Bond	\$4,320,000	\$1,964,441	9/1/2044	A
2019	PFA	Local Agency Revenue Refunding Bond Series A	\$6,280,000	\$1,347,801	9/1/2036	A
2021	LEFFA	Local Agency Revenue Refunding Bond Series A	\$32,245,000	\$9,522,538	9/1/2044	A
2021	LEFFA	Local Agency Revenue Bonds Series B	\$10,300,000	\$6,359,200	9/1/2047	A
2015	SARDA	Tax Allocation Bonds	\$3,290,000	\$739,066	9/1/2038	A
2018	SARDA	Tax Allocation Bonds Series A	\$1,875,000	\$495,088	9/1/2047	A
2018	SARDA	Tax Allocation Bonds Series B	\$5,995,000	\$1,798,425	9/1/2047	A
2020	LEFFA	Tax Allocation Bonds Series A	\$12,875,000	\$2,450,100	9/1/2030	A
2016	LEFFA	Lease Revenue Bonds Series A	\$8,825,000	\$4,019,731	4/1/2046	A
2021	LEFFA	Lease Revenue Bonds Series A	\$8,775,000	\$777,071	2/1/2032	A
2022	LEFFA	Lease Revenue Bonds Series A	\$23,070,000	\$20,351,225	4/1/2052	A
2014	TRIP	Certificate of Participation Series A	\$5,755,000	\$2,209,350	6/1/2039	A
2019	SARDA	Subordinated Tax Allocation Bonds Series A	\$8,535,000	\$3,247,625	9/1/2033	A
2019	SARDA	Subordinated Tax Allocation Bonds Series B	\$2,080,000	\$62,586	9/1/2025	A
2020	SARDA	Third Lien Tax Allocation Bonds Series B	\$4,620,000	\$1,778,000	3/1/2038	A
2020	SARDA	Third Lien Tax Allocation Bonds Series C	\$3,235,000	\$293,664	3/1/2031	A

## Legal Debt Margin

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed value. However, this provision was enacted when the assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state. The City's debt limit is \$300,505,940.

Fiscal Year 2023	
Assessed Valuation	\$8,013,491,725
Conversion Percentage	25%
Adjusted Assessed Valuation	2,003,372,931
Debt Limit Percentage	15%
Debt Limit	300,505,940
Total Net Debt Applicable to Limitation	-
Legal Debt Margin	\$300,505,940
Total Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%

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# **FIVE YEAR FORECAST**

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# Five Year Financial Forecast

In addition to the Annual Operating Budget and Capital Improvement Program, the City of Lake Elsinore also prepares a Five-Year Financial Projection for the General Fund. The long-range forecasts serve as a strategic planning tool to help evaluate the City's ability to meet its long-term obligations. The benefit of long-range planning is to alert decision makers of trends in time to implement changes, if necessary.

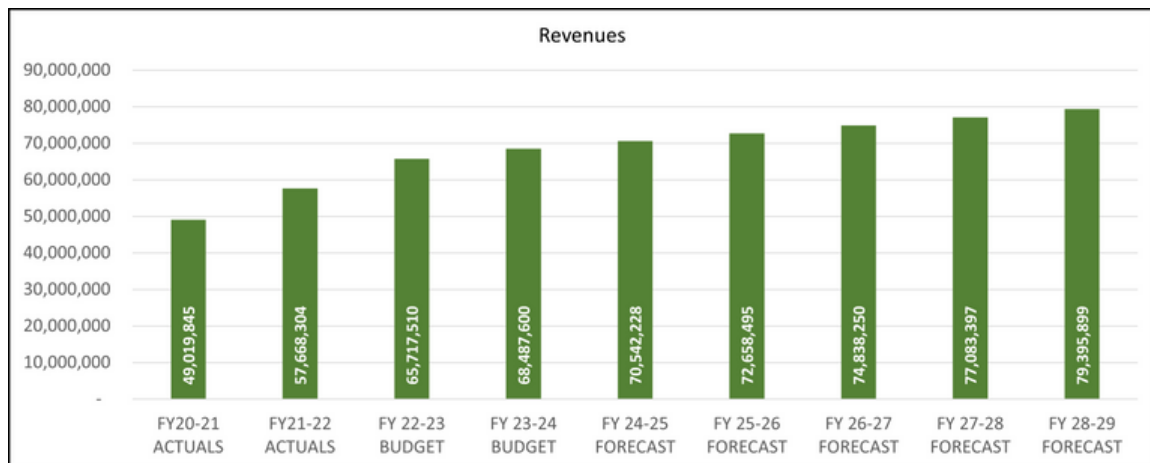
## General Fund Revenue

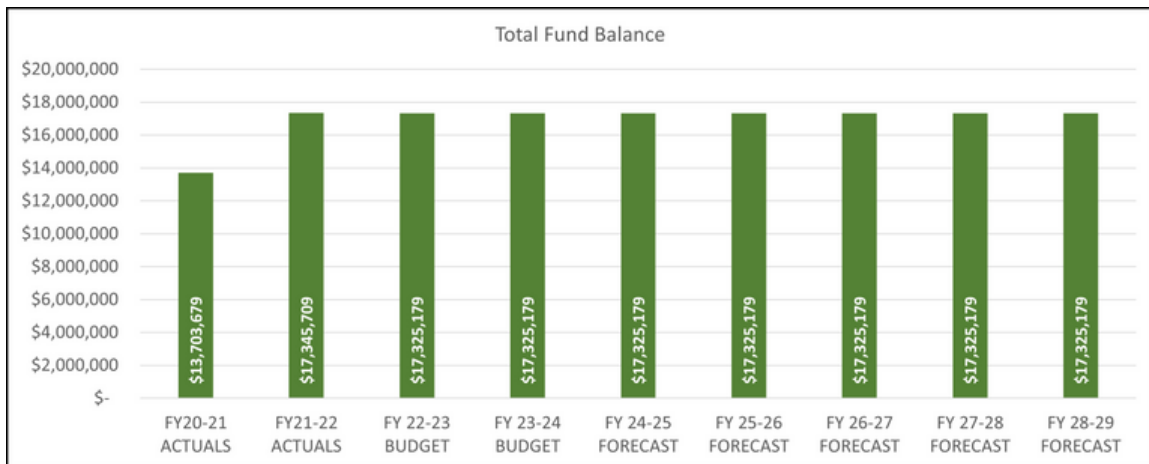
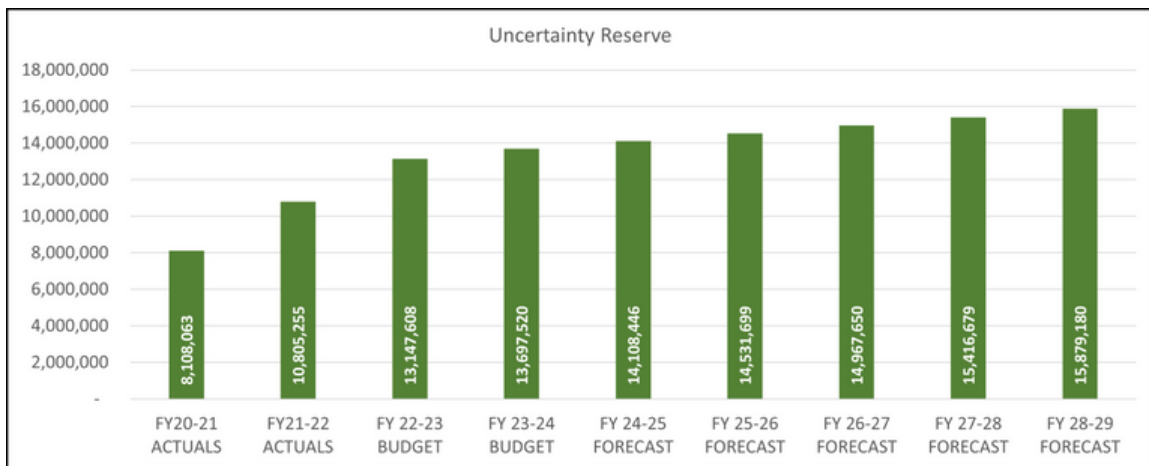
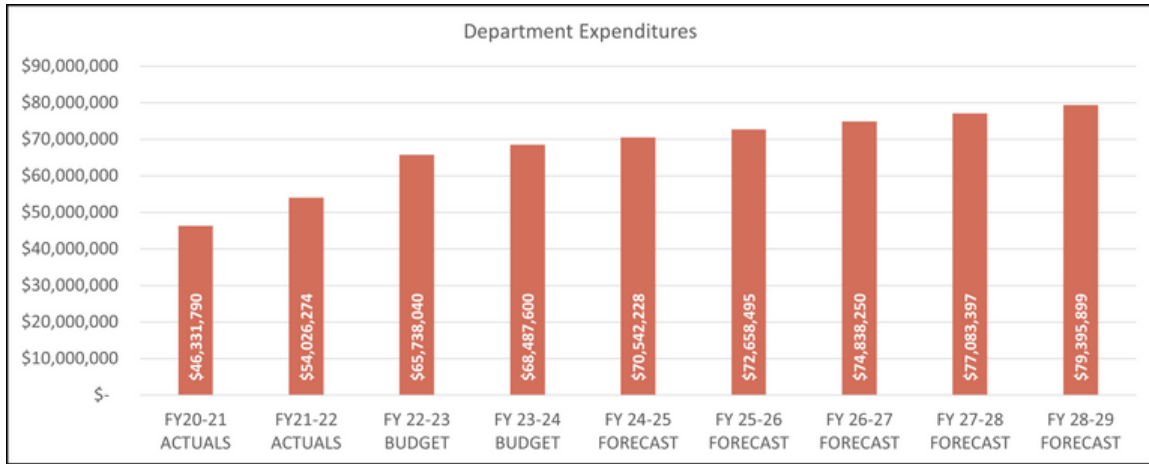
General Fund Revenue is projected by line item using a combination of known information and anticipated trends for the coming five-year period. The City's Budget Team works in tandem with Community Development to identify future projects that could affect revenue levels, such as the addition of new housing developments and commercial establishments. The City also utilizes Sales and Property Tax consultants to assist with identifying statewide trends that may impact City revenues. Revenues were projected at a 3% adjustment rate.

- Tax revenues – projected based on recent growth trends combined with known changes in the economy, such as the addition of new businesses or hotels.
- Licenses, Permits and Service Charges – projected based on development projects for which the City has received a planning application and is actively pursuing building permits.
- Intergovernmental revenues – projected based on the growth in the City's overall assessed valuation, as this revenue source reflects Property Tax in Lieu of Vehicle License Fees.
- Reimbursements – this revenue source primarily reflects the transfer of funds from the Capital Improvement Program (CIP) to reimburse the Public Works department for the administration of the CIP program

## General Fund Expenditures

General Fund Expenditures trends are developed using a number of economic assumptions that are applied to the category of expenditures. For Salary and Benefit projections, the City's Budget Team reflects any anticipated changes in staffing levels, CalPERS pension contribution rates, negotiated terms from the City's employment contracts, and Public Safety Contract projections received from the County of Riverside. General fund expenditures were projected at a 3% adjustment rate.





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# **SUPPLEMENTAL INFORMATION**

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## Assessed and Estimated Actual Value of Taxable Property

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described below.

<b>Fiscal Year Ended June 30</b>	<b>Secured</b>	<b>Unsecured</b>	<b>Less: Exemptions</b>	<b>Taxable Assessed Value</b>
2014	3,888,934,354	142,565,053	n/a	4,031,499,407
2015	4,463,835,597	136,300,859	(105,231,318)	4,494,905,138
2016	4,768,722,323	129,261,454	(93,034,816)	4,804,948,961
2017	5,177,285,267	130,180,313	(95,434,240)	5,212,031,340
2018	5,573,186,823	125,275,157	(99,693,567)	5,598,768,413
2019	6,131,330,394	121,282,148	(109,102,106)	6,143,510,436
2020	6,550,002,491	117,440,229	(114,493,687)	6,552,949,033
2021	6,924,168,897	128,326,411	(129,757,835)	6,922,737,473
2022	7,359,819,567	132,056,791	(136,831,201)	7,355,045,157
2023	8,029,561,384	137,500,128	(153,569,787)	8,013,491,725

Source: Riverside County Assessor 2022/23 Combined Tax Rolls





## Principal Secured Property Owners Year Ended June 30, 2023 - Top Ten Property Taxpayers

Taxpayer	Taxable Assessed Value	Percent of Total City Taxable Assessed
Walmart	\$ 53,678,455	0.67%
Ridgestone Partners	53,477,684	0.66%
15150 Grand Avenue LLC	46,052,800	0.57%
KB Home Coastal Inc	35,142,057	0.44%
HELF Canyon Hills Market Place	28,771,169	0.36%
Rivers Edge Apartments	27,815,172	0.35%
Hohr Affinity	26,296,647	0.33%
Prism Lake Lp	24,002,000	0.30%
Pacific Castle Lake Elsinore Partners	22,907,895	0.28%
Alberhill Development LLC	22,749,689	0.28%
<b>Top Ten Total</b>	<b>\$ 340,893,568</b>	<b>4.23%</b>

Source: Riverside County Assessor 2022/23 Combined Tax Rolls and the SBE Non-Unitary Tax Roll

# Computation of Direct and Overlapping Bonded Debt

City of Lake Elsinore, California  
Direct and Overlapping Bonded Debt  
June 30, 2023

2022-23 Assessed Valuation: \$8,070,840,451

Overlapping Tax and Assessment Debt	Percentage Applicable	Outstanding Debt 6/30/2022	City's Share of Overlapping Debt 6/30/2023
<b>Direct and Overlapping Tax and Assessment Debt</b>			
City of Lake Elsinore Community Facilities District No. 90-2	100%	2,085,000	2,085,000
City of Lake Elsinore Community Facilities District No. 95-1	100%	355,000	355,000
City of Lake Elsinore Community Facilities District No. 98-1	100%	10,070,000	10,070,000
City of Lake Elsinore Community Facilities District No. 2003-2, 1A, A, B, C, D, & E	100%	66,150,000	66,150,000
City of Lake Elsinore Community Facilities District No. 2004-3 1A No. 1 & 2	100%	37,050,000	37,050,000
City of Lake Elsinore Community Facilities District No. 2005-1	100%	6,150,000	6,150,000
City of Lake Elsinore Community Facilities District No. 2005-2	100%	17,655,000	17,655,000
City of Lake Elsinore Community Facilities District No. 2005-5	100%	3,175,000	3,175,000
City of Lake Elsinore Community Facilities District No. 2005-6	100%	2,345,000	2,345,000
City of Lake Elsinore Community Facilities District No. 2006-1 Improvement Areas	100%	41,155,000	41,155,000
City of Lake Elsinore Community Facilities District No. 2006-2	100%	4,900,000	4,900,000
City of Lake Elsinore Community Facilities District No. 2006-6	100%	3,535,000	3,535,000
City of Lake Elsinore Community Facilities District No. 2007-4	71.8%	2,375,000	1,705,013
City of Lake Elsinore Community Facilities District No. 2007-5	100%	1,615,000	1,615,000
City of Lake Elsinore Community Facilities District No. 2015-5	100%	1,875,000	1,875,000
City of Lake Elsinore Community Facilities District No. 2016-2	100%	19,350,000	19,350,000
City of Lake Elsinore Community Facilities District No. 2019-1	100%	6,575,000	6,575,000
City of Lake Elsinore 1915 Act Bonds	100%	8,315,000	8,315,000
<b>Total Direct and Overlapping Tax and Assessment Debt</b>			<b>234,060,013</b>
<b>Other Overlapping Tax and Assessment Debt</b>			
Elsinore Valley Metropolitan Water District Community Facilities District No. 2003-1	100%	2,459,000	2,459,000
Lake Elsinore Unified School District Community Facilities Districts	100%	68,681,231	68,681,231
Riverside County Flood Control District, Zone No. 4	77.8%	5,380,000	4,185,640
Lake Elsinore Unified School District	46.1%	47,410,000	21,853,165
Metropolitan Water District	22.2%	19,215,000	4,265,730
Mount San Jacinto Community College District	6.8%	247,850,000	16,791,838
Perris Union High School District Community Facilities District No. 92-1	6.11%	31,050,000	1,897,155
Menifee Union School District	3.9%	120,934,720	4,723,710
Perris Union High School District	2.5%	298,735,042	7,333,945
Perris School District	0.1%	45,056,242	24,781
<b>Total Other Overlapping Tax and Assessment Debt</b>			<b>132,216,195</b>
<b>Total Direct/Other and Overlapping Tax and Assessment Debt</b>			<b>366,276,208</b>
<b>Direct General Fund Debt</b>			
City of Lake Elsinore General Fund Obligations	100%	40,670,000	40,670,000
<b>Total Direct General Fund Debt</b>			<b>40,670,000</b>



**Overlapping General Fund Debt**

Riverside County General Fund Obligations	2.2%	686,776,829	15,308,256
Riverside County Pension Obligations	2.2%	748,540,000	16,684,957
Perris Union High School District General Fund Obligations	2.5%	40,481,898	993,831
Menifee and Perris School District Certificates of Participation	3.91 - 0.06%	49,678,119	1,770,213
Western Municipal Water District	4.9%	4,075,058	201,389

<b>Total Overlapping General Fund Debt</b>			<b>34,958,645</b>
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<b>Total Direct and Overlapping General Fund Debt</b>			<b>75,628,645</b>
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<b>Overlapping Tax Increment Debt (Successor Agency)</b>	100%	42,505,000	42,505,000
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<b>Total Direct General Fund Debt</b>			<b>40,670,000</b>
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<b>Total Gross Overlapping Debt</b>			<b>443,739,853</b>
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<b>Combined Total Debt</b>			<b>484,409,853</b>
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**Ratios to 2022-23 Assessed Valuation**

Total Overlapping Tax and Assessment Debt	4.43%
Total Direct Debt (\$40,670,000)	0.50%
Combined Total Debt	5.90%

**Ratios to Redevelopment Incremental Valuation (\$3,815,290,053)**

Total Overlapping Tax Increment Debt	1.31%
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## Comparative City Information

City	Year	Number of Employees	Population	Estimated General Fund Revenues	Estimated General Fund Expenditures	Expenditures Per Capita
<b>Lake Elsinore</b>						
	2022	141	71,615	\$51,311,188	\$48,625,292	\$679
	2021	118	64,762	\$59,949,317	\$45,202,392	\$698
	2020	105	63,453	\$54,370,691	\$42,311,820	\$667
	2019	119	62,949	\$53,199,764	\$41,054,855	\$652
	2018	96	63,365	\$54,472,193	\$42,632,954	\$673
<b>Menifee</b>						
	2022	302	106,627	\$80,606,886	\$70,825,635	\$664
	2021	209	99,686	\$72,714,713	\$55,895,128	\$561
	2020	207	97,093	\$65,185,364	\$58,789,409	\$605
	2019	214	93,452	\$61,101,247	\$49,959,120	\$535
	2018	102	91,902	\$55,729,807	\$43,591,505	\$474
	2017	71	90,660	\$39,861,889	\$34,874,940	\$385
<b>Murrieta</b>						
	2022	431	111,183	\$88,827,370	\$67,613,815	\$608
	2021	407	111,183	\$81,447,222	\$71,149,130	\$640
	2020	355	115,172	\$71,716,032	\$53,467,907	\$464
	2019	347	115,561	\$58,115,146	\$51,949,869	\$450
	2018	321	118,125	\$46,103,421	\$41,634,368	\$352
<b>Perris</b>						
	2022	123	78,890	\$65,298,390	\$55,336,110	\$701
	2021	112	78,977	\$58,770,348	\$47,694,501	\$604
	2020	112	80,201	\$56,527,133	\$58,028,896	\$724
	2019	109	76,971	\$49,535,623	\$40,934,798	\$532
	2018	106	77,837	\$46,108,384	\$38,867,203	\$499
	2017	103	75,739	\$32,892,796	\$33,881,768	\$447
<b>Temecula</b>						
	2022	196	109,925	\$133,795,830	\$105,645,373	\$961
	2021	178	112,771	\$119,353,336	\$91,974,475	\$816
	2020	173	111,970	\$100,394,398	\$90,566,062	\$809
	2019	177	113,826	\$104,304,439	\$99,332,578	\$873
	2018	168	113,181	\$98,140,769	\$86,661,591	\$766
<b>Wildomar</b>						
	2022	N/A *	N/A *	N/A *	N/A *	N/A *
	2021	19	37,013	\$15,179,122	\$12,734,329	\$344
	2020	14	36,066	\$14,368,825	\$13,490,539	\$374
	2019	14	36,066	\$14,524,751	\$13,081,429	\$363
	2018	12	35,635	\$12,975,561	\$11,552,339	\$324
	2017	12	35,261	\$10,838,625	\$9,968,868	\$283

\* The City of Wildomar 2021-22 Financial Information was unavailable at the time of the preparation of this schedule.



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# APPENDIX

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## Glossary

**Abatement:** A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

**Accounting System:** The total structure of records and procedures that identify record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

**Accrued Interest:** The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

**Amortization:** The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

**Appropriation:** A legal authorization from the community's legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

**Arbitrage:** As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

**Assessed Valuation:** A value assigned to real estate or other property by a government as the basis for levying taxes.

**Audit:** An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

**Audit Report:** Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

**Available Funds:** Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

**Balance Sheet:** A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

**Betterments (Special Assessments):** Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

**Bond:** A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

**Bond and Interest Record:** (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

**Bonds Authorized and Unissued:** Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by the community's legislative body to be removed from community's books.

**Bond Issue:** Generally, the sale of a certain number of bonds at one time by a governmental unit.



**Bond Rating (Municipal):** A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

**Budget:** A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

**Capital Assets:** All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

**Capital Budget:** An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

**Cash:** Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

**Cash Management:** The process of monitoring the ebb and flow of money in an out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short-term borrowing and investment of idle cash.

**Certificate of Deposit (CD):** A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

**Classification of Real Property:** Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners.

**Collective Bargaining:** The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union. regarding wages, hours and working conditions.

**Consumer Price Index:** The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

**Cost-Benefit Analysis:** A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

**Debt Burden:** The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

**Debt Service:** The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

**Encumbrance:** A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

**Enterprise Funds:** An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery--direct, indirect, and capital costs—are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the

"surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

**Equalized Valuations (EQVs):** The determination of the full and fair cash value of all property in the community that is subject to local taxation.

**Estimated Receipts:** A term that typically refers to anticipated local revenues often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (See Local Receipts)

**Exemptions:** A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

**Expenditure:** An outlay of money made by municipalities to provide the programs and services within their approved budget.

**Fiduciary Funds:** Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private- purpose trust funds, and agency funds.

**Fixed Assets:** Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

**Fixed Costs:** Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

**Float:** The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

**Full Faith and Credit:** A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

**Fund:** An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

**Fund Accounting:** Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

**GASB 34:** A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, road, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

**GASB 45:** This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

**General Fund:** The fund used to account for most financial resources and activities governed by the normal appropriation process.

**General Obligation Bonds:** Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

**Governing Body:** A board, committee, commission, or other executive or policymaking body of a municipality or school district.



**Indirect Cost:** Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

**Interest:** Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

**Interest Rate:** The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

**Investments:** Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

**Line Item Budget:** A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

**Local Aid:** Revenue allocated by the state or counties to municipalities and school districts.

**Maturity Date:** The date that the principal of a bond becomes due and payable in full.

**Municipal(s):** (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

**Note:** A short-term loan, typically with a maturity date of a year or less.

**Objects of Expenditures:** A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

**Official Statement:** A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

**Operating Budget:** A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

**Overlapping Debt:** A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

**Performance Budget:** A budget that stresses output both in terms of economy and efficiency.

**Principal:** The face amount of a bond, exclusive of accrued interest.

**Program:** A combination of activities to accomplish an end.

**Program Budget:** A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

**Purchased Services:** The cost of services that are provided by a vendor.

**Refunding of Debt:** Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

**Reserve Fund:** An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

**Revaluation:** The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of

the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

**Revenue Anticipation Note (RAN):** A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.

**Revenue Bond:** A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

**Revolving Fund:** Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

**Sale of Real Estate Fund:** A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure.

**Stabilization Fund:** A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose.

**Surplus Revenue:** The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

**Tax Rate:** The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$14.80 per \$1,000 of assessed valuation of taxable real and personal property.

**Tax Title Foreclosure:** The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

**Trust Fund:** In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

**Uncollected Funds:** Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

**Undesignated Fund Balance:** Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

**Unreserved Fund Balance (Surplus Revenue Account):** The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

**Valuation (100 Percent):** The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.