



CITY OF LAKE ELSINORE, CALIFORNIA

ANNUAL OPERATING BUDGET

FISCAL YEAR 2024-2025



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INTRODUCTION



CITY COUNCIL

Steve Manos, Mayor

Brian Tisdale, Mayor Pro Tem

Natasha Johnson

Robert E. Magee

Timothy J. Sheridan

CITY TREASURER

Edwin Castro

CITY MANAGER

Jason Simpson

ASSISTANT CITY MANAGER

Shannon Buckley

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Transmittal Letter

City Manager - Jason Simpson

June 11, 2024

The Honorable Mayor and Members of City Council:

On behalf of City Staff, it is my privilege to present the Annual Operating Budget for FY 2024-2025 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 FY 2024-2025 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 71,452 citizens. The City maintains 20 parks on 173 acres throughout the community, which provides recreation opportunities for both the citizens of Lake Elsinore, and surrounding communities. Police and Fire protection are provided through a contract with Riverside County. The Lake Elsinore Unified School District provides 25 schools for over 21,000 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: 71,452 July 1, 2023 up 2.1% from the previous year (Source: United States Census Bureau).
- Unemployment: Lake Elsinore - as of May 2024 is 4.7%, County of Riverside - 4.4%, and State of California - 5.2% (Source: EDD).
- Number of Households: 20,951 in 2024 from 19,162 in 2023.
- Median Household Income: \$89,788 in 2024 up \$9,438 from 2023.
- Median Home Value: \$595,000 in 2021 to \$ in 2023

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.

2024-2025 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 FY 2024-2025 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 FY2024- 2025, 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 2024-25 Ending Fund Balance is projected to be \$19,268,711. Total Reserves, at 26.6% of expenditures, total \$18,243,711, with another \$1,023,690 as non-spendable.

General Fund Revenue Highlights

FY 2024-25 General Fund revenues are projected to reach \$71,173,350, an increase of \$2,770,090 or 2.92% from FY23-24 Adopted Budget 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 (\$17,087,000) is projected to be a decrease of 2.6% compared to the prior fiscal year.
- Property Taxes (\$11,614,320) are projected to increase, or 3.36%, 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: (\$2,104,390) are projected to increase by \$61,000 or 2.99%.
- Fees: (\$6,337,620) are projected to increase by \$393,230 or 6.62%
- Fines & Forfeitures: (\$1,016,670) are projected to increase 3.00% compared to the prior fiscal year approved budget.
- 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 \$7,194,960, an increase of \$205,960, which represents 2.94%.
- Franchise and Other Tax: An overall increase of \$102,630 from FY 23-24 to a projected FY 2024-2025. 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 \$71,173,350 in FY 2024-2025. This proposed expenditure level results in an increase of \$2,017,120 or 2.92%. 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 48.1%. Proposed expenditures for Police, Fire Services, Animal Control, and Emergency Services total \$34,202,880, an increase of \$2,292,510.

- Police (\$19,531,030) increase by \$878,810 or 4.71%, over the prior year.
- Fire Suppression (\$12,136,450) increased by \$1,132,200 or 10.29% over the prior year.
- Fire Prevention (\$894,900) increase by \$48,130 or 5.68% over the prior year.
- Animal Services (\$1,209,040) increased by \$224,540 or 22.81% over the prior year.
- Emergency Services (\$431,460) increase by \$8,830 or 2.09% over the prior year.

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 top five Major Special Revenue funds are highlighted below for FY 2024-2025

1. Measure Z: \$17,044,000
2. Low/Moderate Housing: \$7,077,550
3. American Rescue Plan: \$4,762,435
4. Measure A: \$2,303,000
5. Citywide L.L.M.D.: \$2,109,162

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 \$1,059,690, which covers the cost of administering the City's liability, worker's compensation, and property insurance programs.
- Information Technology Fund: Projected expenses total \$2,103,634, which provides for the operation and management of the City's computer and telephone systems.
- Support Services Fund: Projected expenses \$115,906, which provides for the operation of the City's central printing and mail activities.
- Vehicle and Equipment Fund: Projected expenses total \$1,161,475, 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 \$1,178,286, 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. Currently we do not have active accounts within the Lake Elsinore Recreation Authority.

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 2024-2025 total \$9,636,180.

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 \$91,602,230.

2024-2025 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 2024-2025 is 215, five of which are City Council members, five City Planning Commissioners, five Public Safety Advisory Commissioners, and one Treasurer, leaving 157 regular full-time equivalent positions, 23 unfunded, and 58 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 2024-2025, 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 \$19,268,711. 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 2024-2025 Operating Budget demonstrates the City Council's continued investment in Public Safety and other services. 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 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

CITY OF LAKE ELSINORE DREAM EXTREME 2040



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 FY2024-2025. 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 FY2024-2025 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. 2024-25

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE,
CALIFORNIA, ADOPTING THE FY 2024-25 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 1st of each year to and including June 30th 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 2024-25 fiscal year and as amended herein 2023-24 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, 2024, that are approved by the City Manager, are hereby appropriated for such contracts or obligations for FY2024-25.
- (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 Adopted at a regular meeting of the City Council of the City of Lake Elsinore, California, this 11th day of June 2024.

DocuSigned by:

0D20014F0387403
Steve Manos
Mayor

Attest:

DocuSigned by:

2041B149748C400
Candice Alvarez, MMC
City Clerk

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

I, Candice Alvarez, MMC, City Clerk of the City of Lake Elsinore, California, do hereby certify that Resolution No. 2024-25 was adopted by the City Council of the City of Lake Elsinore, California, at the Regular meeting of June 11, 2024 and that the same was adopted by the following vote:

AYES: Council Members Sheridan and Magee; Mayor Pro Tem Tisdale; and Mayor Manos
NOES: None
ABSENT: Council Member Johnson
ABSTAIN: None

DocuSigned by:

2041B149748C400
Candice Alvarez, MMC
City Clerk

Vision Statement

**CITY OF
LAKE ELSINORE**
DREAM EXTREME

**Action Sports
Capital of the
World**

VISION STATEMENT

**THE CITY OF
LAKE ELSINORE 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.R.E.

CUSTOMER 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!

AUTHENTIC 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!

ANTICIPATE CUSTOMER NEEDS

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

RESPOND 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.

EXTREME CUSTOMER SERVICE

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



Locator Map



Population Overview



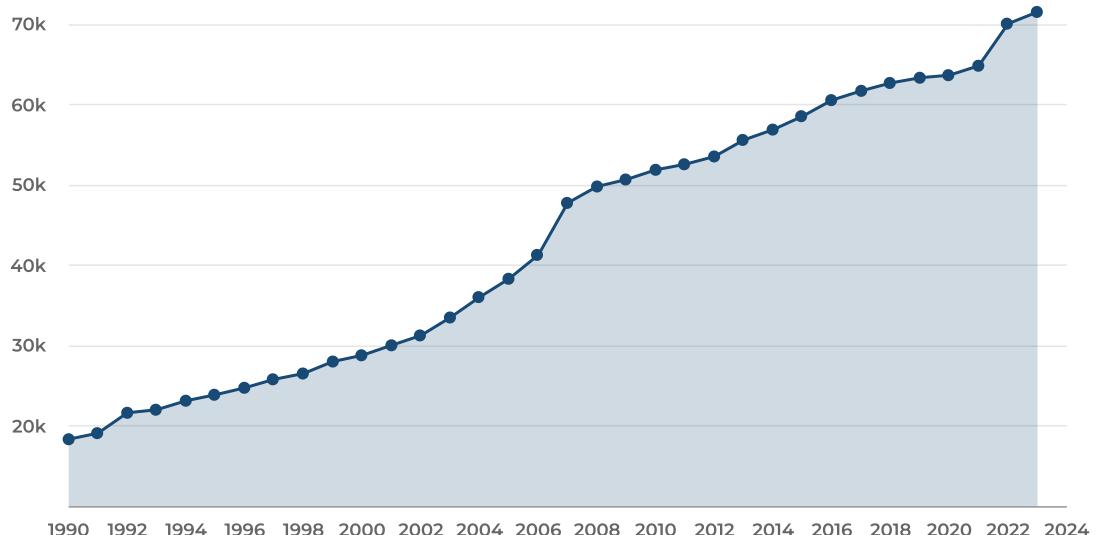
TOTAL POPULATION

71,452

▲ 2.1%
vs. 2022

GROWTH RANK

3 out of **499**
Municipalities in California



* Data Source: Client entered data for year 2023



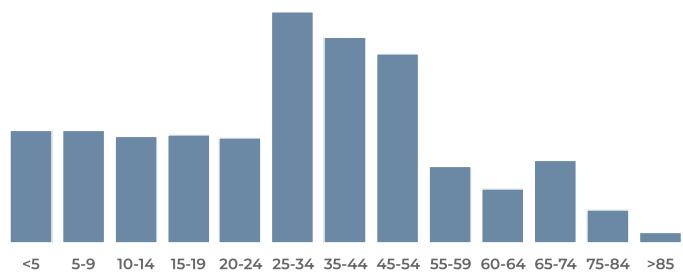
DAYTIME POPULATION

56,177

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

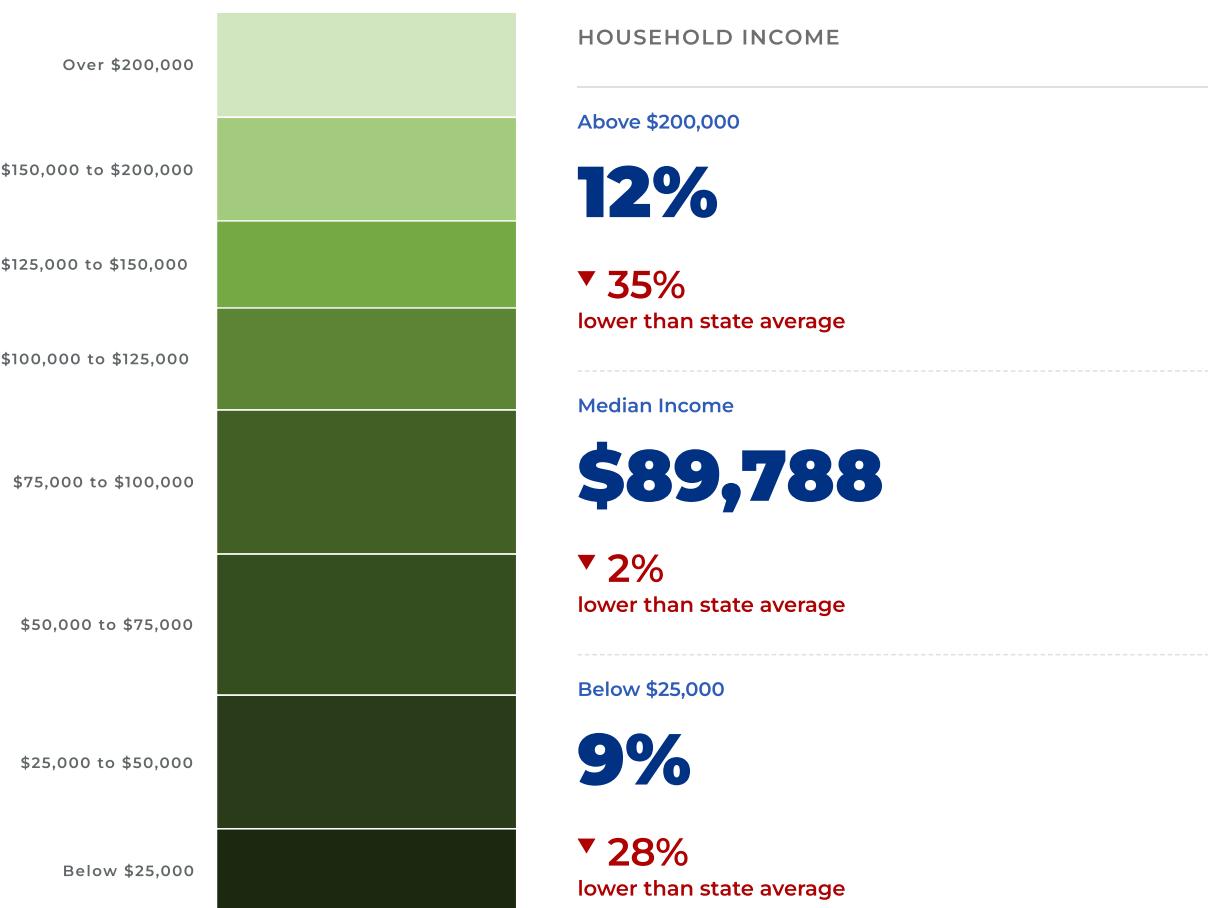
20,951

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.

* Data Source: Lake Elsinore, CA 2023

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

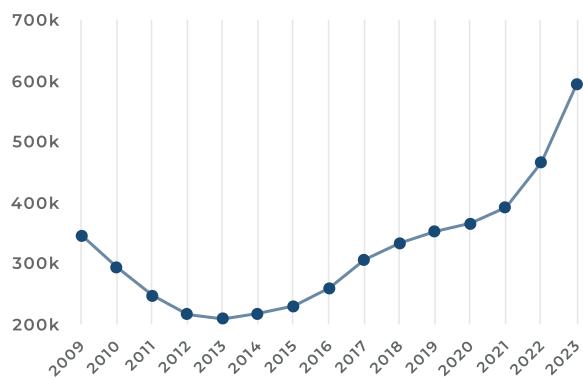


Housing Overview



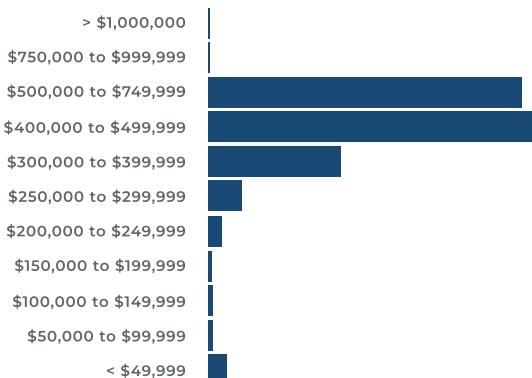
2023 MEDIAN HOME VALUE

\$595,000



* Data Source: Lake Elsinore, CA 2023

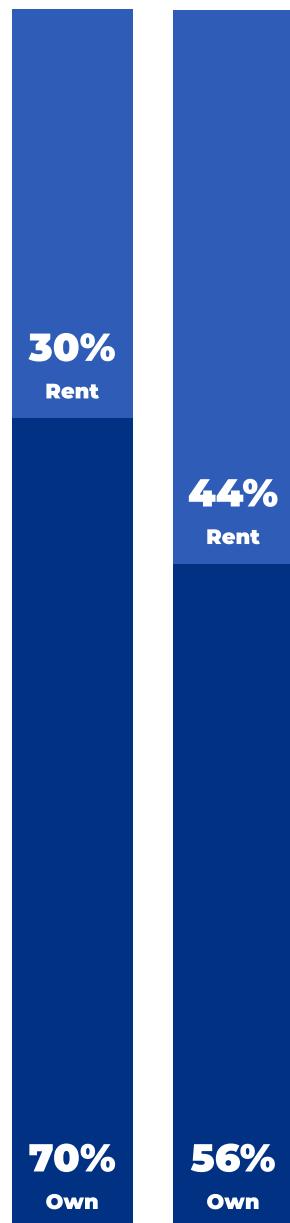
HOME VALUE DISTRIBUTION



* Data Source: 2022 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.



* Data Source: 2022 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.





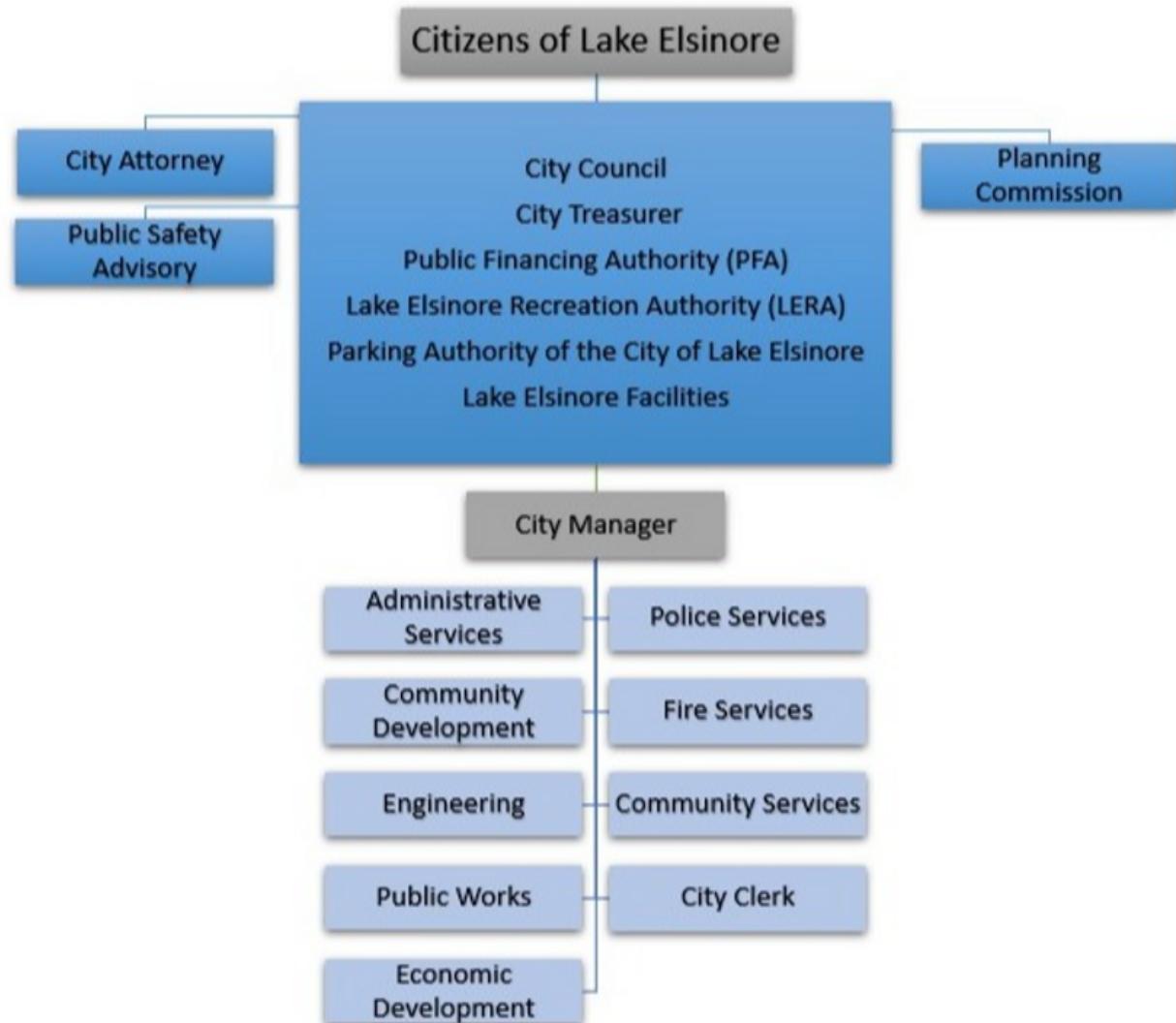
Executive Management

City Manager	Jason Simpson
Assistant City Manager	Shannon Buckley
City Clerk	Candice Alvarez
City Attorney	Barbara Leibold
City Engineer	Remon Habib
Chief of Police	James Rayls
Fire Chief	Lonny Olson
Director of Community Development	Damaris Abraham
Director of Community Services	Johnathan O. Skinner
Director of Economic Development & Legislative Affairs	Gina Gonzalez

Budget Team

Assistant Administrative Services Director	Brendan Rafferty
Finance Manager	Nancy Lassey
Fiscal Officer	Domenico Piazza
Senior Accountant	Andrew Zavala
Accountant	Savannah Fernandez
Account Specialist	Joanne Jackson
Account Specialist	Matthew Maternowski





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, 2023.

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.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Lake Elsinore
California**

For the Fiscal Year Beginning

July 01, 2023

Christopher P. Morill

Executive Director



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 2024-25 budget award.



FINANCIAL STRUCTURE, POLICY AND PROCEDURES



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
- Desratification 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.
- **Desratification 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 desratification 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		
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																															●		

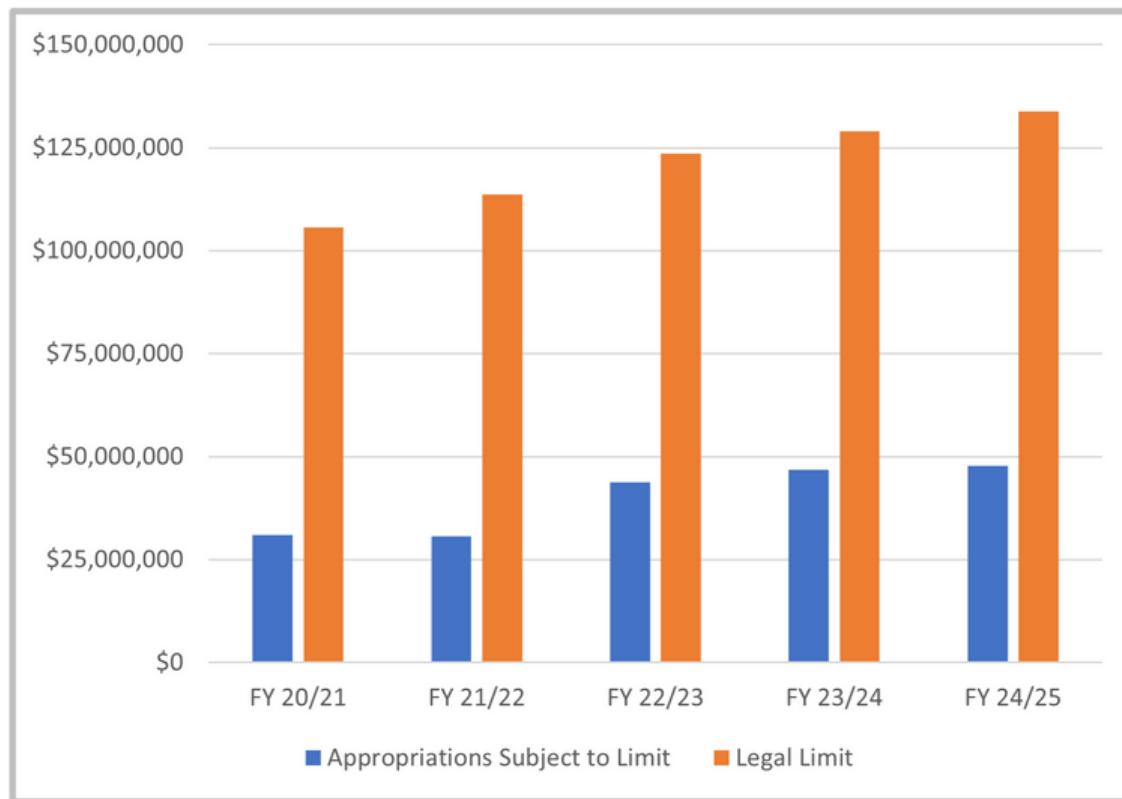


GANN Appropriations Limit

Article XIIIIB 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 111 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 2023-24 Appropriation Limit	\$128,984,827
City Population Growth	1.0014%
Per Capita Personal Income Change	1.0362%
Fiscal Year 2023-24 Appropriations Limit	\$133,841,190

Appropriations subject to the limit in the FY2023-24 budget totaled \$47,833,643 which is \$86,007,547 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 \$86,007,547 variance indicated. Further, any overall actual receipts from tax sources greater than \$86,007,547 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.
 - o 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.
- o 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:

- o Maintain the Covered Entities' sound financial position.
- o Ensure the Covered Entities have the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- o Protect the Covered Entities' credit-worthiness.
- o 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.



FY 2024 - 25 Budget Calendar

Month	Description	Timeline
January	Mid-year budget analysis and revision Prepare agenda reports and proposed mid-year budget documents Development of budget parameters/strategic goals	January 12 January 26 January 31
February	Distribute of Budget Preparation Guidelines Budget workshop with key City staff Council adoption of mid-year operating and CIP budget 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 5 February 8 February 13 February 29 February 29 February 29 February 29 February 29
March	Department operating budget submittals reviewed All non-fee based revenue estimates are completed by Finance All fee-based revenue estimates submitted by Finance Budget analysis prepared for review by City Manager	March 7 March 7 March 7 March 14
April	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	April 4 April 18 April 25 April 25
May	Planning Commission - CIP Conformance with General Plan Prepare agenda reports and proposed budget documents	May 21 May 31
June	Council adoption of final Operating Budget Council adoption of Schedule of Authorized Positions and Gann Appropriations Limit Public Hearing for the adoption of CIP Budget	June 11 June 11 June 25
Ongoing	Monthly budget/actuals reports reviewed and sent to Departments Quarterly financial statements prepared and presented to City Council	Monthly Quarterly



FINANCIAL SUMMARY



Fund Balance Summary - All Funds

Fund	Beginning Fund Balance			Projected Ending Fund Balance
		Revenues	Appropriations	
<u>FY2024-25 ADOPTED OPERATING BUDGETS</u>				
100 GENERAL FUND	19,268,711	71,173,350	71,173,350	19,268,711
101 SUPPLEMENTAL LAW ENF. (SLESF)	-	267,000	267,000	-
102 MEASURE Z	9,482,026	17,044,000	26,526,026	-
103 THE ANCHOR	-	1,020,980	1,020,980	-
104 TRAFFIC OFFENDER FUND	-	30,570	30,570	-
106 AFFORDABLE HOUSING IN-LIEU	4,440,533	500,000	4,940,533	-
107 DEVELOPER AGREEMENT	445,134	204,000	649,134	-
108 AMERICAN RESCUE PLAN	-	4,762,435	4,762,435	-
110 STATE GAS TAX FUND (OPER & CIP)	377,446	2,007,248	2,384,694	-
114 SB1186 CAS EDUCATION FUND	66,596	22,000	2,100	86,496
115 TRAFFIC SAFETY FUND	-	235,000	235,000	-
130 CITY-WIDE LLMD FUND	104,088	2,109,162	2,213,250	-
135 LLMD NO. 1	754,447	821,140	809,120	766,467
155 NPDES	4,802	1,555,150	1,555,952	-
180 LAUNCH POINTE	14,189,520	5,501,900	6,500,808	14,190,612
300 INSURANCE SERVICES	1,467,000	967,710	1,059,690	1,375,020
305 INFORMATION SYSTEMS SERVICES	2,532,002	2,203,990	2,103,634	2,632,358
310 SUPPORT SERVICES	57,705	127,496	115,906	69,295
315 FLEET SERVICES	2,149,324	1,142,210	1,161,475	2,130,059
320 FACILITIES SERVICES	2,063,853	1,158,610	1,178,286	2,044,177
330 CFD 2015-2S MAINTENANCE SERVICES FUND	-	581,145	581,145	-
341 CFD 2017-1S MISSION TRAIL SERVICES FUND	-	10,305	10,305	-
342 CFD 2007-5S RED KITE SERVICES FUND	-	16,220	16,220	-
343 CFD 2006-2S VISCAYA SERVICES FUND	-	59,230	59,230	-
344 CFD 2005-2S ALBERHILL RANCH SERVICES FUND	-	199,900	199,900	-
358 CFD 2007-4S MAKENNA SERVICES FUND	-	30,910	30,910	-
362 CFD 2006-8S RUNNING DEER ESTATES SERVICE	-	114,580	114,580	-
367 CFD 2006-1S SUMMERLY SERVICE FUND	-	591,180	591,180	-
373 CFD 2005-5S WASSON CANYON SERVICES FUND	-	66,990	66,990	-
650 CFD 2003-1S LAW, FIRE & PARAMEDIC SERVICES	-	3,589,940	3,589,940	-
651 CFD 2006-5S PARK, OPEN SPACE & STORM DRAIN	-	121,980	121,980	-
652 CFD 2007-1S LAW, FIRE & PARAMEDIC SERVICES	-	122,040	122,040	-
653 CFD 2009-1S PARK, OPEN SPACE/STREET LIGHT	-	805,580	805,580	-
655 CFD 2015-1S LAW, FIRE & PARAMEDIC SERVICES	-	1,037,740	1,037,740	-
OPERATING BUDGET SUBTOTALS	57,403,187	120,197,691	136,037,683	41,563,195



Fund	Beginning Fund Balance			Projected Ending Fund Balance
		Revenues	Appropriations	
FY2024-25 ADOPTED AD/CFD/LERA/PFA BUDGETS				
331 CFD 2006-1 IA CC SUMMERLY IMPROVEMENT	312,882	195,270	508,152	-
332 CFD 2006-1 IA B SUMMERLY IMPROVEMENT	154,776	190,290	345,066	-
333 CFD 2015-4 TERRACINA IMPROVEMENT	-	252,110	252,110	-
334 CFD 2015-5 TRIESTE IMPROVEMENT	114,942	169,830	284,772	-
335 CFD 2003-2 IA E CANYON HILLS IMPROVEMENT	269,610	184,630	454,240	-
336 CFD 2006-1 IA FF SUMMERLY IMPROVEMENT	172,511	230,790	403,301	-
337 CFD 2016-2 CANYON HILLS IMPROVEMENT FUND	3,644,165	1,350,780	4,994,945	-
338 CFD 2006-1 IA JJ SUMMERLY IMPROVEMENT FUND	602,964	346,010	948,974	-
339 CFD 2006-1 IA KK SUMMERLY IMPROVEMENT FUND	556,875	284,090	840,965	-
340 CFD 2006-1 IA EE SUMMERLY IMPROVEMENT FUND	555,406	305,790	861,196	-
345 CFD 2003-2 IA D CANYON HILLS IMPROVEMENT	2,238,703	1,979,760	4,218,463	-
346 CFD 2014-1 SOUTHSHERE IMPROVEMENT FUND	7,219	3,000	10,219	-
347 CFD 2006-1 IA A SUMMERLY IMPROVEMENT FUND	159,626	255,000	414,626	-
350 CFD 98-1 SUMMERHILL IMPROVEMENT FUND	859,225	1,110,400	1,969,625	-
351 CFD 2006-1 IA II SUMMERLY IMPROVEMENT FUND	784,525	446,670	1,231,195	-
354 CFD 90-2 TUSCANY HILLS IMPROVEMENT FUND	1,079,785	100,00	1,179,785	-
355 RAD 2021-1 CANYON HILLS IMPROVEMENT FUND	1,432,845	1,223,040	2,488,055	167,830
357 CFD 2003-02 IA A CANYON HILL IMPROVEMENT	1,708,262	1,006,890	2,715,152	-
359 CFD 2021-1 IA 2 TUSCANY VALLEY IMPROVEMENT	-	10,500	10,500	-
361 CFD 202-2 LAKESHORE IMPROVEMENT FUND	-	10,500	10,500	-
363 CFD 2023-1 LAKESIDE IMPROVEMENT FUND	-	10,500	10,500	-
366 CFD 2005-6 CITY CENTER TOWNHOMES IMPRVMNT	405,711	276,810	682,521	-
368 CFD 2006-2 VISCAYA IMPROVEMENT FUND	840,548	545,860	1,386,408	-
369 CFD 2004-3 IA 1 ROSETTA CANYON IMPROVEMENT	3,033,976	1,790,000	4,823,976	-
370 CFD 2006-1 IA HH SUMMERLY IMPRVMNT FUND	637,718	346,240	983,958	-
371 CFD 2005-1 SERENITY IMPROVEMENT FUND	1,164,032	685,200	1,849,232	-
372 CFD 2005-2 IA A ALBERHILL RANCH IMPROVEMENT	2,922,667	1,670,070	4,592,737	-
374 CFD 2005-4 LAKE VIEW VILLAS IMPROVEMENT	1,050	10,500	11,550	-
375 CFD 2006-4 CLURMAN FUND	3,308	319,020	322,328	-
376 CFD 2006-3 LA STRADA IMPROVEMENT FUND	-	10,500	10,500	-
377 CFD 2006-6 TESSARA IMPROVEMENT FUND	374,161	230,070	604,231	-
378 CFD 2006-8 RUNNING DEER ESTATES IMPRVMNT	4,112	237,290	241,402	-
379 CFD 2022-1 ALBERHILL IMPROVEMENT FUND	-	106,860	106,860	-
384 CFD 2003-2 IA B CANYON HILLS IMPROVEMENT	2,731,350	2,044,020	4,775,370	-
385 CFD 2004-3 IA 2 ROSETTA CANYON IMPROVEMENT	3,175,922	1,969,420	5,145,342	-
386 CFD 2007-4 MAKENNA COURT IMPROVEMENT	120,710	193,710	314,420	-
387 CFD 2007-5 RED KITE IMPROVEMENT FUND	174,286	134,600	308,886	-
388 CFD 2007-6 HOLIDAY INN EXPRESS IMPROVEMENT	365	6,870	7,235	-
390 CFD 2003-2 IA C CANYON HILLS IMPROVEMENT	1,540,035	877,600	2,417,635	-
392 CFD 95-1 CIVIC CENTER IMPROVEMENT FUND	177,174	165,440	342,614	-
394 CFD 2005-5 WASSON CANYON IMPROVEMENT	195,630	296,010	491,640	-
395 CFD 2018-1 WASSON CANYON II IMPROVEMENT	1,603	10,500	12,103	-
396 CFD 2019-2 NICHOLS RANCH IMPROVEMENT FUND	276	325,080	325,356	-
397 CFD 2019-1 WESTLAKE IMPROVEMENT FUND	680,302	384,280	1,064,582	-
398 CFD 2021-1 IA 1 TUSCANY VALLEY IMPROVEMENT	-	10,500	10,500	-
400 LE FINANCING AUTHORITY FUND	8,885,902	289,000	565,000	8,609,902



FUND	BEGINNING FUND BALANCE	REVENUES	APPROPRIATIONS	PROJECTED ENDING FUND BALANCE
402 LEFFA 2017 LOCAL OBLIGATIN BONDS FUND	3,993,901	160,000	293,550	3,860,351
403 LEFFA 2020A REVENUE REFUNDING BONDS	14,852,524	489,600	1,764,600	13,577,524
404 LEFFA 2021 REVENUE REFUNDING BONDS	32,229,401	750,000	2,260,000	30,719,401
405 LEFFA 2021B REVENUE REFUNDING BONDS	10,324,838	404,000	575,900	10,152,938
406 LEFFA 2021A REVENUE REFUNDING BONDS	9,495	1,065,505	1,075,000	-
407 LEFFA 2022A REVENUE REFUNDING BONDS	25,088,893	4,061,890	22,785,580	6,365,203
510 SARDA AREA I, II, III FUNDS	(26,600,129)	22,366,153	9,636,180	(13,870,156)
603 PUBLIC PURPOSE TRUST - CARL GRAVES FUND	59,341	4,500	640	63,201
604 ENDOWMENT TRUST - ADOLPH KORN FUND	33,724	1,500	630	34,594
617 SARDA HOUSING FUND	61,084,500	7,077,550	1,050,000	67,112,050
630 LAKE WATER MANAGEMENT ESCROW FUND	3,290,039	1,650,000	4,940,039	-
631 DESTRATIFICATION EQUIPMENT REPLACEMENT	503,977	100,000	603,977	-
739 LEPFA 2014 SERIES B FUND	14,766,659	611,320	1,331,320	14,046,659
740 LEPFA 2015 FUND	88,320,333	3,752,520	7,197,520	84,875,333
741 LEPFA 2015 SERIES A FUND	2,754,250	100,000	156,390	2,697,860
Fund: AD/CFD/LERA/PFA SUBTOTALS	272,436,905	65,195,838	109,220,053	228,412,690

FY2024-25 ADOPTED CAPITAL BUDGET

105 GENERAL PROJECTS (OPER & CIP)	21,355	-	21,355	-
109 SB1 ROAD MAINTENANCE AND REHAB	1,848,842	1,861,959	3,710,801	-
111 TUMF CAPITAL PROJECT FUND	-	10,000,000	10,000,000	-
112 MEASURE A FUND	756,373	2,303,000	3,059,373	-
113 SB821 FUND	-	150,000	150,000	-
116 CITY HALL/P.W. DIF FUND	72,316	204,000	276,316	-
117 COMMUNTY CENTER DIF FUND	312,412	104,000	400,000	16,412
118 LAKE SIDE FACILITIES DIF FUND	55,032	165,000	220,032	-
119 ANIMAL SHELTER FACILITY DIF FUND	-	40,600	40,000	-
121 TOTAL ROAD IMPROVEMENT PRGM (TRIP)	-	491,675	491,675	-
140 GEOTHERMAL FUND	14,039	300	14,339	-
150 CBDG FUND	-	1,317,890	1,317,890	-
160 PEG GRANT FUND	8,223	15,600	23,823	-
203 SUMMERLY TRAFFIC INFRASTRUCTURE FEE (ELSP)	3,485,332	35,000	3,520,332	-
205 TRAFFICE IMPACT FEE FUND	171,912	456,000	627,912	-
211 STORM DRAIN CIP FUND	3,416,359	260,000	3,676,359	-
221 QUIMBY FUND	2,864	128,500	131,364	-
231 LIBRARY CIP DIF FUND	883,546	51,000	934,546	-
232 FIRE PROTECTION DIF FUND	828,879	120,000	948,879	-
500 CAPITAL IMPROVEMENT PLAN FUND	17,796,382	82,690,615	100,486,997	-
540 SARDA DIAMOND STADIUM FUND	423,660	1,463,371	1,887,031	-
605 PUBLIC IMPROVEMENTS IN-LIEU FUND	1,830,067	100,000	1,930,067	-
606 AB2766 AIR POLLUTION REDUCTION FUND	116,655	66,000	182,655	-
CAPITAL BUDGET SUBTOTALS	32,044,248	102,024,510	134,052,346	16,412
TOTALS	\$ 361,884,340	\$ 287,418,039	\$ 379,310,082	\$ 269,992,297



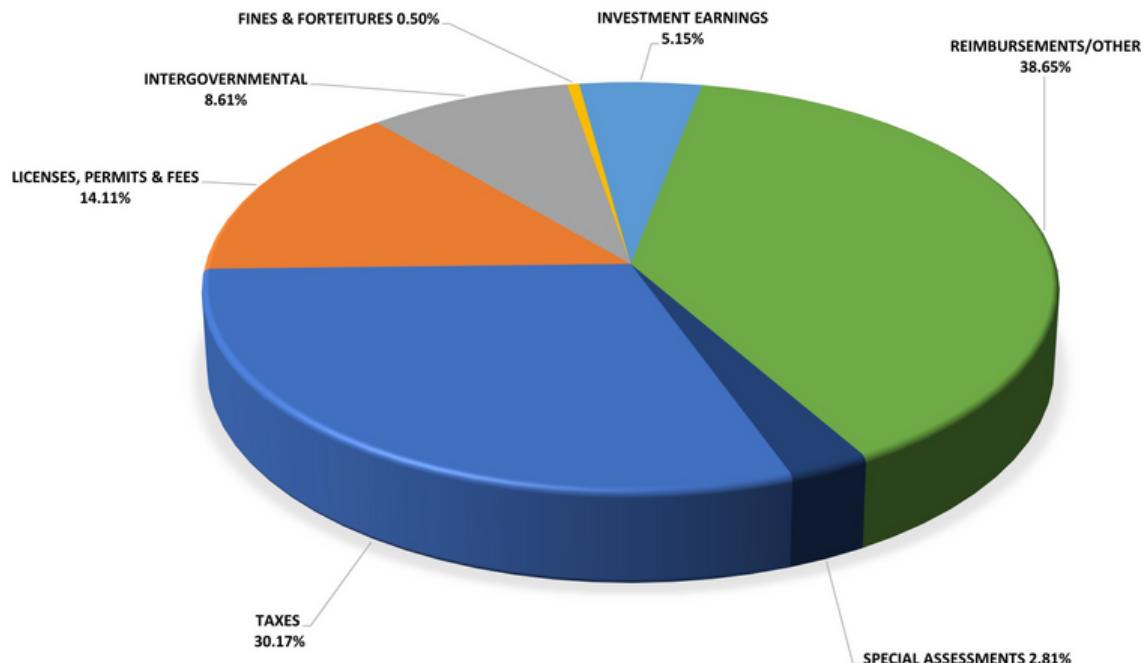
Major Revenue Sources

	General Fund	Special Revenue/Debt Funds/CIP	Internal Service Funds	Enterprise Funds	SARDA	Total Revenues
TAXES						
Sales Tax	\$ 17,087,000					\$ 17,087,000
Measure Z		16,794,000				16,794,000
Property Tax	11,614,320				22,350,000	33,964,320
Franchise Tax	2,883,910					2,883,910
Property Transfer Tax	378,640					378,640
Other Tax	17,510					17,510
Transient Occupancy Tax	621,960					621,960
Fire Service Tax Credit/Destrat	5,382,550	100,000				5,482,550
PEG Fees		15,000				15,000
LICENSES, PERMITS & FEES						
Building Permit Fee	1,462,920					1,462,920
Business License	463,500					463,500
Special Event Fees	51,810					51,810
Encroachment Permit	212,180					212,180
D.A. Prop 64	1,133,000					1,133,000
Temp/Conditional Use Permit	41,200					41,200
Fees						
City Clerk	13,850					13,850
Community Development	2,556,610					2,556,610
Engineering	2,271,630					2,271,630
Community Services	266,360					266,360
Administration	509,280					509,280
Facility Rentals - Other	780,190					780,190
Fire Prevention	142,400					
DIF Fees	1,445,000					1,445,000
Affordable Housing In-Lieu	440,000					440,000
Developer Agreement	200,000					200,000
NPDES	1,551,150					1,551,150
Launch Pointe			5,501,900			5,501,900
Charges For Service		5,600,016				5,600,016
CASp	20,000					20,000
T.U.M.F.	10,000,000					10,000,000
Diamond Stadium	1,463,371					1,463,371
INTERGOVERNMENTAL						
Vehicle License Fees	97,590					97,590
State Mandate Costs	419,210					419,210
Gas Tax	1,987,248					1,987,248
Federal/County/State Grants	15,728,743					15,728,743
County						
Measure A	2,278,000					2,278,000
SB821	150,000					150,000
CDBG	1,317,890					1,317,890
AB2766	60,000					60,000
FINES & FORFEITURES	1,016,670	260,570				1,277,240
INVESTMENT EARNINGS	423,330	12,745,835			16,153	13,185,318
REIMBURSEMENTS/OTHER						
Capital Improvement Program		82,690,615				82,690,615
Public Safety	532,570					532,570



Street Program	1,000,000	1,150,028	2,150,028
Other	12,598,200	963,130	13,561,330
SPECIAL ASSESSMENTS	7,194,960		7,194,960
TOTAL REVENUE and OTHER SOURCES	\$ 71,173,350	\$ 151,360,580	\$ 5,600,016
			\$ 5,501,900
			\$ 22,366,153
			\$ 255,859,599

	General Fund	Special Revenue/Debt Funds	Internal Service Funds	Enterprise Funds	SARDA	Total Revenues
TAXES	\$ 37,985,890	\$ 16,909,000	\$ -	\$ -	\$ 22,350,000	\$ 77,244,890
LICENSES, PERMITS & FEES	9,904,930	15,119,521	5,600,016	5,501,900	-	36,126,367
INTERGOVERNMENTAL	516,800	21,521,881	-	-	-	22,038,681
FINES & FORFEITURES	1,016,670	260,570	-	-	-	1,277,240
INVESTMENT EARNINGS	423,330	12,745,835	-	-	16,153	13,185,318
REIMBURSEMENTS/OTHER	14,130,770	84,803,773	-	-	-	98,934,543
SPECIAL ASSESSMENTS	7,194,960	-	-	-	-	7,194,960
TOTAL REVENUE and OTHER SOURCES	\$ 71,173,350	\$ 151,360,580	\$ 5,600,016	\$ 5,501,900	\$ 22,366,153	\$ 256,001,999



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: 53.4%

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 FY2024-2025 revenue projections for sales tax reflect a 2.6% reduction from FY2023-2024 estimates.

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 FY2024-2025 revenue estimate for property tax reflects a 3.4% increase over the projected FY2023-2024 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 FY2024-2025 from the FY2023-2024 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 purchase value. The amount projected for FY2024-2025. Overall, a 3% increase is projected in FY2024-2025 from FY2023-2024.

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 3% from \$603,840 in FY2023-2024 to \$621,955 in FY2024-2025.

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 FY2024-2025 is estimated at \$5,362,550 a 27.2% increase from the prior year.

Reimbursements & Other: 19.9%

This category is projected to increase by 0.2% over the prior year to \$14,130,770 in FY2024-2025. 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: 13.9%

Building Permits: These charges comprise building permit activities within the City. This category is projected to increase \$42,610 from the prior year.

Fees: These charges are projected to increase 6.6% from \$5,944,390 to \$6,337,620 in FY2024-2025.

License and Permits and Other: Projected to be \$2,104,390 for FY2024-2025.

Special Assessments: 10.1%

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 FY2024-2025, Special Assessment revenue is projected to increase to \$205,600 from an estimated \$6,989,360 in FY2023-2024 to \$7,194,960 in FY2024-2025.

Intergovernmental: 0.7%

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 FY2024-2025 increased by \$73,310.



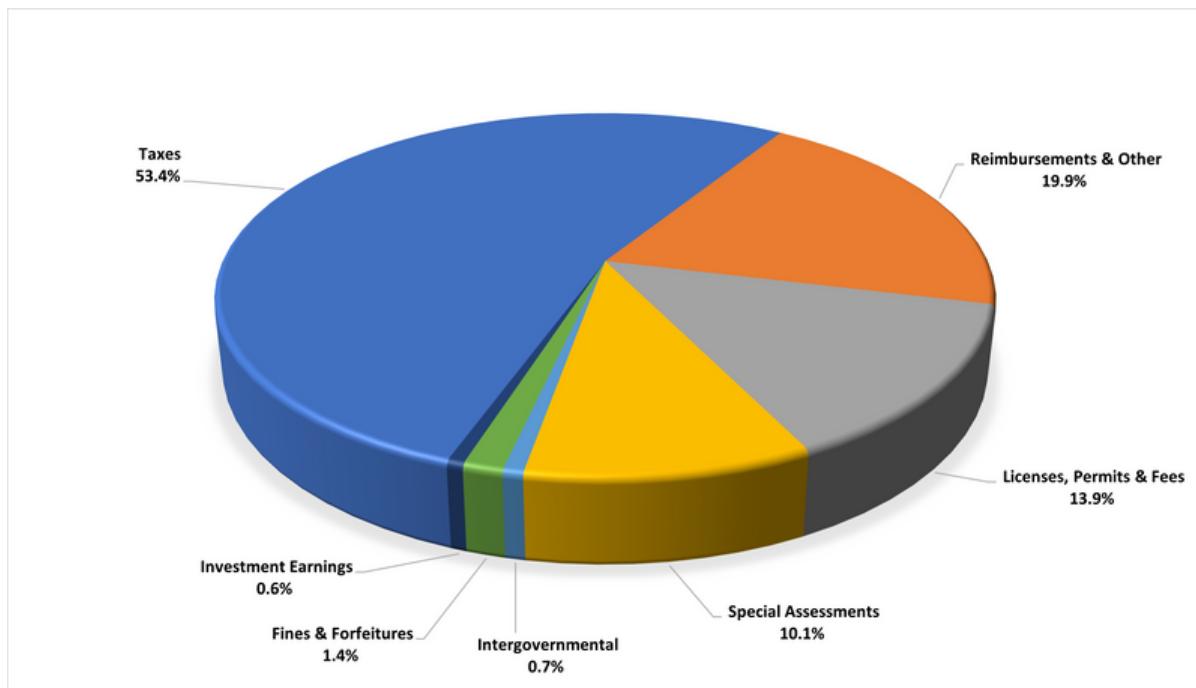
Fines & Forfeitures: 1.4%

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 FY2024-2025 \$1,016,670, an increase of \$29,620 from the prior year.

Investment Earnings: 0.6%

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 FY2024-2025 are increased by \$12,330 from the prior fiscal year.

Major Revenue Sources for FY 2024 - 2025



Expenditures Summary by Department - General Fund

	SALARIES & BENEFITS	OPERATIONS & MAINTENANCE	DEBT SERVICE	CHARGES FOR SERVICES	TOTAL
General Government					
City Council	\$ 149,000	\$ 104,650	\$ -	\$ 101,120	\$ 354,770
Community Support	412,360	75,000	-	116,900	604,260
City Clerk	608,750	317,590	-	168,680	1,095,020
City Attorney	-	661,380	-	13,810	675,190
City Manager	1,143,870	67,400	-	121,960	1,333,230
Total General Government	2,313,980	1,226,020	-	522,470	4,062,470
Administrative Services					
Finance	1,229,420	195,650	-	241,240	1,666,310
Human Resources	544,040	171,440	-	75,050	790,530
Total Administrative Services	1,773,460	367,090	-	316,290	2,456,840
Public Safety					
Police Services	-	19,388,060	-	142,970	19,531,030
Fire Services	-	12,036,050	-	100,400	12,136,450
Fire Prevention	-	744,780	-	150,120	894,900
Animal Services	-	975,990	233,050	-	1,209,040
Emergency Services	264,140	119,650	-	47,670	431,460
Total Public Safety	264,140	33,264,530	233,050	441,160	34,202,880
Community Development					
Planning & Zoning	1,487,600	457,160	-	297,900	2,242,660
Building & Safety	1,202,810	203,850	-	322,850	1,729,510
Code Enforcement	1,203,530	639,200	-	358,960	2,201,690
Total Community Development	3,893,940	1,300,210	-	979,710	6,173,860
Economic Development					
Economic Development	584,720	449,950	-	68,340	1,103,010
Total Economic Development	584,720	449,950	-	68,340	1,103,010
Public Services					
Engineering	2,386,870	1,382,400	-	364,680	4,133,950
Public Works - Administration	3,038,255	282,525	-	1,487,330	4,808,110
Park Maintenance	1,709,100	2,322,500	-	-	4,031,600
Lake Maintenance	316,660	1,045,400	-	-	1,362,060
Total Public Services	7,450,885	5,032,825	-	1,852,010	14,335,720
Community Services					
Recreation	1,531,490	460,350	-	305,610	2,297,450
Community Center	701,900	443,700	-	250,110	1,395,710
Senior Center	508,840	65,250	-	336,720	910,810
Neighborhood Center	689,500	135,750	-	213,820	1,039,070
Total Community Services	3,431,730	1,105,050	-	1,106,260	5,643,040
Non-Departmental					
Non-Departmental	-	632,000	2,563,530	-	3,195,530
Total Non-Departmental	-	632,000	2,563,530	-	3,195,530
Total Expenditures By Department	\$ 19,712,855	\$ 43,377,675	\$ 2,796,580	\$ 5,286,240	\$ 71,173,350

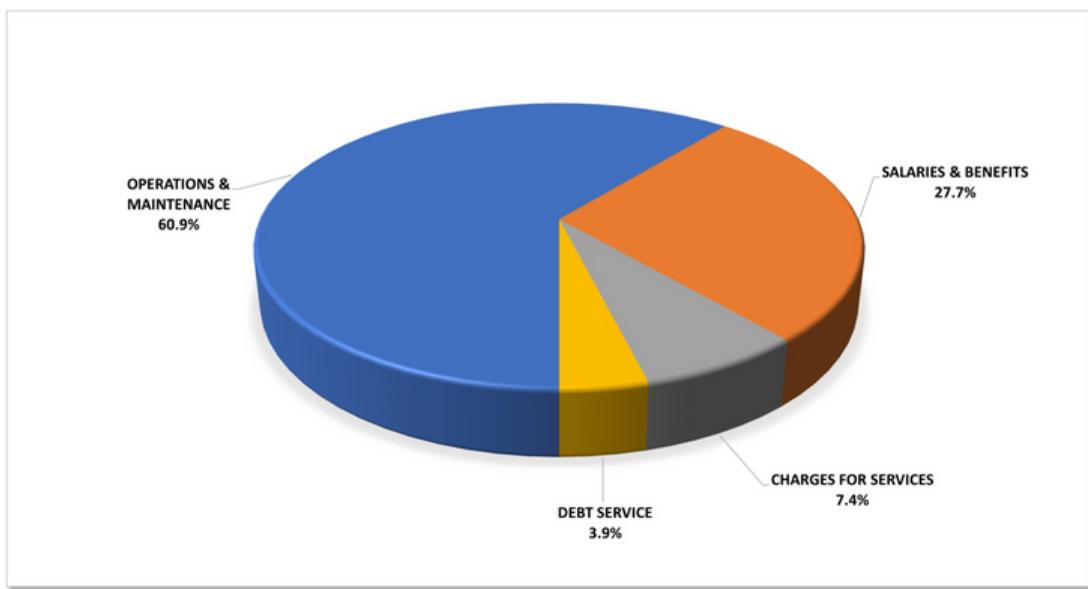


The General Fund is the main operating fund for the City of Lake Elsinore. It is used to account for all financial resources for the city that are not restricted to a special purpose and otherwise required to be accounted for in another fund. The General Fund provides the resources necessary to sustain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

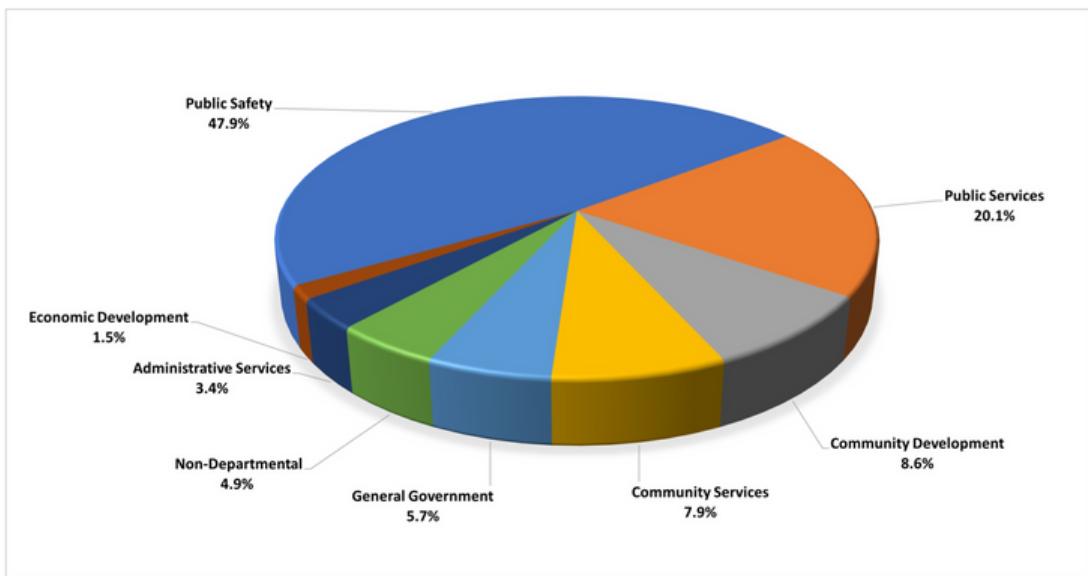
The proposed budget of \$71,173,350 million reflects an increase in General Fund expenditures of \$2,017,120 or 2.92 % from the fiscal year 2023-24 projected budget.

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 2024-2025.

Percentage of Expenditures by Expense Type



Percentage of Expenditures by Department



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

	FY21-22 ACTUALS	FY22-23 ACTUALS	FY23-24 ADOPTED BUDGET	FY24-25 ADOPTED BUDGET	\$Inc/(Dec)	% Inc/ (Dec)
Revenues:						
Sales Tax	\$ 16,445,263	\$ 15,746,683	\$ 17,543,480	\$ 17,087,000	\$ (456,480)	-2.60%
Property Tax	9,606,584	10,453,295	11,237,300	11,614,320	377,020	3.36%
Franchise Tax	2,901,961	3,302,290	2,799,910	2,883,910	84,000	3.00%
Building Permit Fee	1,511,782	953,803	1,420,310	1,462,920	42,610	3.00%
Property Transfer Tax	621,757	368,479	367,610	378,640	11,030	3.00%
Other Taxes	779,621	657,963	620,840	639,470	18,630	3.00%
Licenses & Permits	1,711,503	1,901,867	2,043,390	2,104,390	61,000	2.99%
Intergovernmental	181,362	347,004	443,490	516,800	73,310	16.53%
Fees	5,408,860	3,614,438	5,944,390	6,337,620	393,230	6.62%
Fines & Forfeitures	881,791	843,740	987,050	1,016,670	29,620	3.00%
Tax Credit	3,722,847	3,869,416	4,248,380	5,382,550	1,134,170	26.70%
Investment Earnings	(619,754)	435,013	411,000	423,330	12,330	3.00%
Reimbursements & Other	7,663,323	9,332,069	12,582,660	12,598,200	15,540	0.12%
Special Assessments	5,659,438	5,957,127	6,989,360	7,194,960	205,600	2.94%
Reimbursements - Public Safety	391,966	352,586	517,060	532,570	15,510	3.00%
Reimbursements - Street Program	800,000	800,000	1,000,000	1,000,000	-	0.00%
Total Revenues	57,668,304	58,935,773	69,156,230	71,173,350	2,017,120	2.92%

Expenditures by Department:

General Government:

City Council	\$ 240,045	\$ 291,610	\$ 317,370	\$ 354,770	\$ 37,400	11.78%
Community Support	564,015	405,457	624,060	604,260	(19,800)	-3.17%
City Clerk	703,549	741,437	901,650	1,095,020	193,370	21.45%
City Attorney	667,277	851,967	676,210	675,190	(1,020)	-0.15%
City Manager	862,325	1,338,511	1,396,520	1,333,230	(63,290)	-4.53%
Administrative Services						
Finance	1,304,991	1,391,476	1,707,600	1,666,310	(41,290)	-2.42%
Human Resources	540,819	542,186	725,650	790,530	64,880	8.94%

Public Safety:

Police Services	15,876,391	16,727,969	18,652,220	19,531,030	878,810	4.71%
Fire Services	8,015,325	9,409,288	11,004,250	12,136,450	1,132,200	10.29%
Fire Prevention	496,565	575,673	846,770	894,900	48,130	5.68%
Animal Services	814,818	906,465	984,500	1,209,040	224,540	22.81%
Emergency Services	22,562	417,936	422,630	431,460	8,830	2.09%

Community Development:

Planning	1,328,697	1,966,663	2,714,590	2,242,660	(471,930)	-17.38%
Building & Safety	1,486,756	1,517,827	1,747,650	1,729,510	(18,140)	-1.04%
Code Enforcement	1,501,144	1,711,941	2,227,440	2,201,690	(25,750)	-1.16%

Economic Development:

Economic Development	334,526	339,820	644,540	1,103,010	458,470	71.13%
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Public Services:

Engineering	2,925,212	3,157,786	3,953,000	4,133,950	180,950	4.58%
Public Works	3,803,629	4,254,745	5,263,920	4,808,110	(455,810)	-8.66%
Park Maintenance	2,941,158	3,417,791	4,061,510	4,031,600	(29,910)	-0.74%
Lake Maintenance	1,203,235	1,364,283	1,371,520	1,362,060	(9,460)	-0.69%



Community Services:

Recreation	1,150,638	1,381,043	2,383,470	2,297,450	(86,020)	-3.61%
Community Center	767,923	869,954	1,165,950	1,395,710	229,760	19.71%
Senior Center	492,561	692,979	856,740	910,810	54,070	6.31%
Neighborhood Center	484,300	650,318	1,063,070	1,039,070	(24,000)	-2.26%
Non-Departmental - Operating	5,497,813	3,119,647	3,443,400	3,195,530	(247,870)	-7.20%
Total Expenditures	<u>54,026,274</u>	<u>58,044,772</u>	<u>69,156,230</u>	<u>71,173,350</u>	<u>2,017,120</u>	<u>2.92%</u>

Excess of Revenues Over (Under)
Expenditures**Operating Transfers:**Operating Transfers In
Operating Transfers out3,642,030 891,001
- - - - -Excess of Revenues Over (Under)
Expenditures & Op Transfers In/(Out)3,642,030 891,001
- - - - -**Estimated Year-End Adjustments**

Fund Balance, Beg. of Year

14,735,680 18,377,710 19,268,711 19,268,711

Fund Balance, End of Year

\$ 18,377,710 \$ 19,268,711 \$ 19,268,711 \$ 19,268,711**Detail of Fund Balance****Nonspendable:**

Deposits and prepaid items	\$ 32,002	\$ 23,690	\$ 23,690	\$ 23,690
Loans Receivable	1,000,000	1,000,000	1,000,000	1,000,000

Assigned

Uncertainty reserve (20%)

10,805,255 11,608,954 13,831,246 14,234,670

Unassigned

Unallocated reserve

6,540,453 6,636,067 4,413,775 4,010,351

Total Fund Balance (net)\$ 18,377,710 \$ 19,268,711 \$ 19,268,711 \$ 19,268,711

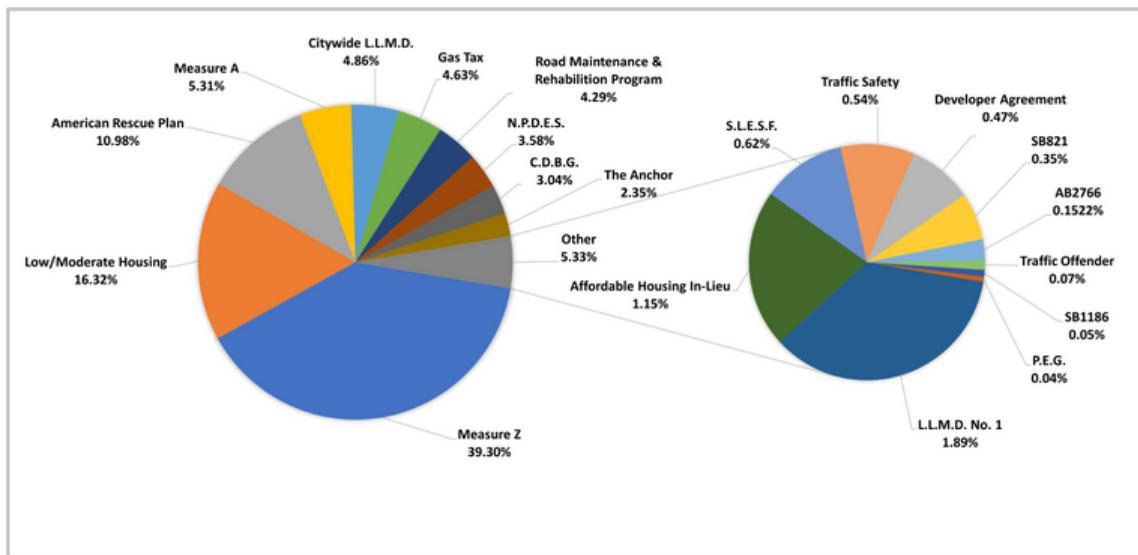
Summary of Revenues, Expenditures, and Changes in Fund Balance - Special Revenue Funds

	FY 21-22 ACTUALS	FY 22-23 ACTUALS	FY 23 - 24 ADOPTED BUDGET	FY24-25 ADOPTED BUDGET	\$ Inc/ (Dec)	% Inc/ (Dec)
Revenues:						
S.L.E.S.F.	\$ 161,285	\$ 175,879	\$ 177,000	\$ 267,000	\$ 90,000	50.85%
Measure Z	16,193,138	16,137,472	16,575,000	17,044,000	469,000	2.83%
The Anchor	1,006,383	875,798	1,210,480	1,020,980	(189,500)	-15.65%
Traffic Offender	21,153	19,250	30,000	30,570	570	1.90%
Affordable Housing In-Lieu	353,925	97,942	212,500	500,000	287,500	135.29%
Developer Agreement	144,484	29,526	276,876	204,000	(72,876)	-26.32%
American Rescue Plan	7,345,297	1,053,002	115,000	4,762,435	4,647,435	4,041.25%
Road Maintenance & Rehabilitation Program	1,304,990	1,583,374	1,808,435	1,861,959	53,524	2.96%
Gas Tax	1,527,961	1,834,645	1,948,055	2,007,248	59,193	3.04%
Measure A	2,133,065	2,400,707	2,304,500	2,303,000	(1,500)	-0.07%
SB821	250,904	-	463,766	150,000	(313,766)	-67.66%
SB1186	10,650	12,489	13,000	22,000	9,000	69.23%
Traffic Safety	196,154	157,457	175,000	235,000	60,000	34.29%
Citywide L.L.M.D.	1,789,235	1,940,031	2,174,187	2,109,162	(65,025)	-2.99%
L.L.M.D. No. 1	738,109	759,079	791,059	821,140	30,081	3.80%
Geothermal	(344)	200	300	300	-	n/a
C.D.B.G.	724,511	476,802	1,042,020	1,317,890	275,870	26.47%
N.P.D.E.S.	327,249	352,495	1,198,170	1,551,150	352,980	29.46%
P.E.G.	16,935	16,265	21,630	15,600	(6,030)	-27.88%
AB2766	52,021	116,649	74,300	66,000	(8,300)	-11.17%
Low/Moderate Housing	8,835,831	2,783,589	7,699,835	7,077,550	(622,285)	-8.08%
Total Revenues	43,132,934	30,822,653	38,311,113	43,366,984	5,055,871	13.20%
Expenditures:						
S.L.E.S.F.	\$ 161,285	\$ 175,879	\$ 177,000	\$ 267,000	\$ 90,000	50.85%
Measure Z	6,071,288	14,858,131	31,404,235	26,526,026	(4,878,209)	-15.53%
The Anchor	1,244,715	872,315	1,210,480	1,020,980	(189,500)	-15.65%
Traffic Offender	21,153	19,250	30,000	30,570	570	1.90%
Affordable Housing In-Lieu	52,174	31,167	4,168,033	4,940,533	772,500	18.53%
Developer Agreement	85,204	28,513	337,162	649,134	311,972	92.53%
American Rescue Plan	4,951,929	2,918,795	7,228,854	4,762,435	(2,466,419)	-34.12%
Road Maintenance & Rehabilitation Program	1,121,567	2,218,918	1,843,258	3,710,801	1,867,543	101.32%
Gas Tax	1,272,121	1,998,279	2,038,270	2,384,694	346,424	17.00%
Measure A	1,823,849	2,909,097	3,357,683	3,059,373	(298,310)	-8.88%
SB821	250,810	51,335	463,766	150,000	(313,766)	-67.66%
SB1186	1,719	1,567	2,100	2,100	-	n/a
Traffic Safety	209,528	157,457	175,000	235,000	60,000	34.29%
Citywide L.L.M.D.	2,317,656	2,044,119	2,174,187	2,213,250	39,063	1.80%
L.L.M.D. No. 1	369,676	369,546	1,937,872	809,120	(1,128,752)	-58.25%
Geothermal	-	-	14,039	14,339	300	2.14%
C.D.B.G.	669,749	142,915	1,042,020	1,317,890	275,870	26.47%
N.P.D.E.S.	381,137	248,828	1,198,170	1,555,952	357,782	29.86%
P.E.G.	-	-	105,930	23,823	(82,107)	-77.51%
AB2766	357,443	6,000	376,330	182,655	(193,675)	-51.46%
Low/Moderate Housing	1,268,783	902,433	1,050,000	1,050,000	-	n/a
Total Expenditures	22,631,786	29,954,545	60,334,389	54,905,675	(5,428,714)	-9.00%



Excess of Revenues Over (Under) Expenditures	20,501,148	868,108	(22,023,276)	(11,538,691)	(372,843)	-1.82%
Operating Transfers:						
Operating Transfers In	4,065	4,065	-	-	-	n/a
Operating Transfers Out	(24)	(24)	-	-	-	n/a
	4,041	4,041	-	-	-	n/a
Excess of Revenues Over (Under) Expenditures & Op Transfers In/(Out)	20,505,189	872,149	(22,023,276)	(11,538,691)	\$ (372,843)	
Fund Balance, Beg. of Year	80,149,642	100,654,831	101,526,980	79,503,704		
Fund Balance, End of Year	\$ 100,654,831	\$ 101,526,980	\$ 79,503,704	\$ 67,965,013		

Special Revenue Funds - Revenue Percentage



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

	FY 21-22 ACTUALS	FY 22-23 ACTUALS	FY23-24 ADOPTED BUDGET	FY24-25 ADOPTED BUDGET	\$ Inc/ (Dec)	% Inc/ (Dec)
Revenues:						
2014 Revenue Bonds Series B	\$ 675,623	\$ 664,843	\$ 700,000	\$ 611,320	\$ (88,680)	-12.67%
2015 Revenue Bonds Series	3,763,624	3,632,560	4,000,000	3,752,520	(247,480)	-6.19%
2015 Revenue Bonds Series A	-	-	-	100,000	100,000	n/a
2017 Revenue Bonds Series	167,787	164,987	100,000	160,000	60,000	60.00%
2021 Revenue Bonds Series	595,734	776,797	600,000	750,000	150,000	25.00%
2021 Revenue Bonds Series B	11,030,935	417,183	500,000	404,000	(96,000)	-19.20%
2020 Tax Allocation Reserve Bond Series A	243,447	268,134	500,000	489,600	(10,400)	-2.08%
2013 Lease Revenue Bonds	213,693	-	-	-	-	n/a
2016 Lease Revenue Bonds Series A	557,394	299,024	559,120	289,000	(270,120)	-48.31%
2021 Lease Revenue Bonds Series A	11,330,018	1,063,196	1,063,780	1,065,505	1,725	0.16%
2022 Lease Revenue Bonds Series A	25,645,957	2,320,792	1,798,400	4,061,890	2,263,490	125.86%
Total Revenues	54,224,211	9,607,517	9,821,300	11,683,835	1,862,535	18.96%
Expenditures:						
2014 Revenue Bonds Series B	1,283,688	1,308,563	1,316,063	1,331,320	\$ 15,257	1.16%
2015 Revenue Bonds Series	6,805,274	6,924,209	7,060,349	7,197,520	137,171	1.94%
2015 Revenue Bonds Series A	2,754,255	-	-	156,390	156,390	n/a
2017 Revenue Bonds Series	292,794	289,994	291,970	293,550	1,580	0.54%
2021 Revenue Bonds Series	1,941,684	2,203,270	2,213,000	2,260,000	47,000	2.12%
2021 Revenue Bonds Series B	599,922	523,357	554,100	575,900	21,800	3.93%
2020 Tax Allocation Reserve Bond Series A	531,448	518,898	1,030,000	1,764,600	734,600	71.32%
2013 Lease Revenue Bonds	304,539	-	-	-	-	n/a
2016 Lease Revenue Bonds Series A	560,015	561,190	853,025	565,000	(288,025)	-33.77%
2021 Lease Revenue Bonds Series A	11,321,674	1,062,045	1,073,275	1,075,000	1,725	0.16%
2022 Lease Revenue Bonds Series A	339,849	1,563,243	1,798,400	22,785,580	20,987,180	1166.99%
Total Expenditures	26,735,139	14,954,768	16,190,182	38,004,860	21,814,678	134.74%
Excess of Revenues Over (Under) Expenditures	27,489,072	(5,347,251)	(6,368,882)	(26,321,025)	(19,952,143)	313.28%
Operating Transfers:						
Operating Transfers In	-	-	-	-	-	n/a
Operating Transfers Out	-	-	-	-	-	n/a
	-	-	-	-	-	n/a
Excess of Revenues Over (Under) Expenditures	27,489,072	(5,347,251)	(6,368,882)	(26,321,025)	\$ (19,952,143)	
Fund Balance, Beg. of Year	185,453,257	212,942,329	207,595,078	201,226,196	201,226,196	
Fund Balance, End of Year	\$ 212,942,329	\$ 207,595,078	\$ 201,226,196	\$ 174,905,171	\$ 174,905,171	

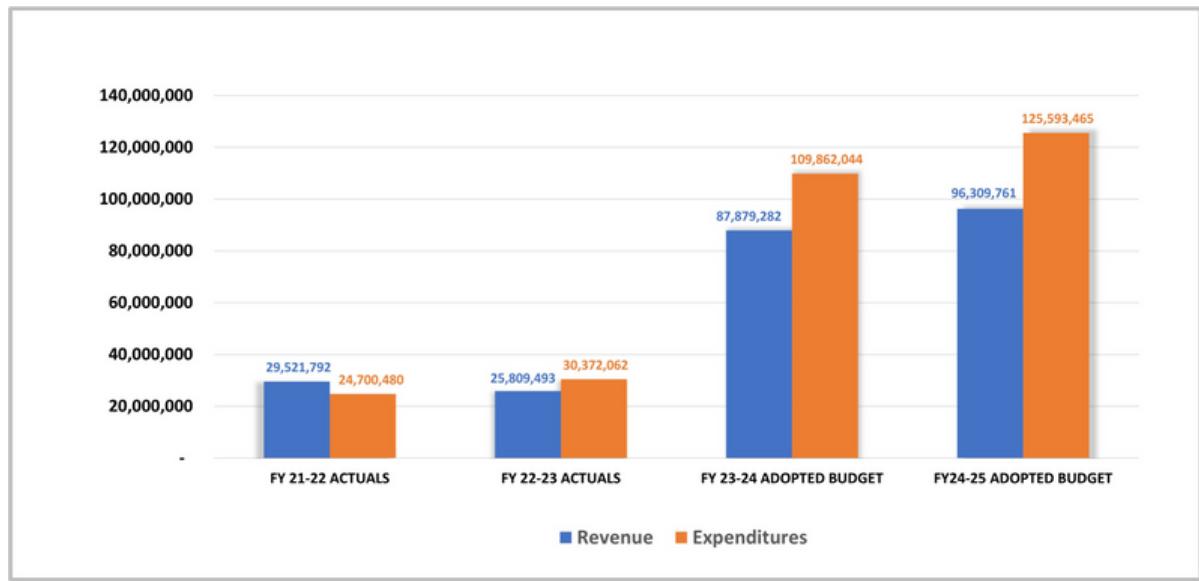


Summary of Revenues, Expenditures, and Changes in Fund Balance - Capital Project Funds

	FY 21-22 ACTUALS	FY 22-23 ACTUALS	FY 23-24 ADOPTED BUDGET	FY24-25 ADOPTED BUDGET	\$ Inc/ (Dec)	% Inc/ (Dec)
Revenues:						
Miscellaneous General Projects	\$ 2,342	\$ -	\$ -	\$ -	\$ -	n/a
T.U.M.F.	4,065	273,024	7,100,000	10,000,000	2,900,000	40.85%
City Hall/Public Works D.I.F.	201,101	68,429	150,700	204,000	53,300	35.37%
Community Center D.I.F.	134,111	46,299	127,700	104,000	(23,700)	-18.56%
Lake Facilities D.I.F.	191,359	66,789	162,600	165,000	2,400	1.48%
Animal Shelter D.I.F.	85,325	28,421	75,300	40,600	(34,700)	-46.08%
T.R.I.P.	499,527	501,432	495,500	491,675	(3,825)	-0.77%
La Strada RBBB	702	349	460	-	(460)	-100.00%
ELSP - Summerly Traffic Infrastructure Fee	86,223	49,283	48,100	35,000	(13,100)	-27.23%
Traffic Impact	433,901	202,445	551,100	456,000	(95,100)	-17.26%
Storm Drains	2,092,985	394,843	280,000	260,000	(20,000)	-7.14%
Quimby	431,528	114,925	227,100	128,500	(98,600)	-43.42%
Library D.I.F.	15,631	32,292	69,100	51,000	(18,100)	-26.19%
Fire D.I. F.	205,152	87,705	186,100	120,000	(66,100)	-35.52%
Capital Improvement Plan	24,023,248	23,918,721	74,805,496	82,690,615	7,885,119	10.54%
Diamond Stadium	1,049,054	-	3,474,526	1,463,371	(2,011,155)	-57.88%
Public Improvement In-Lieu	65,541	24,535	125,500	100,000	(25,500)	-20.32%
Total Revenues	29,521,792	25,809,493	87,879,282	96,309,761	8,430,479	9.59%
Expenditures:						
Miscellaneous General Projects	\$ 26,565	\$ 98,524	\$ 72,256	\$ 21,355	\$ (50,901)	-70.45%
T.U.M.F.	272,890	30,651	7,100,000	10,000,000	2,900,000	40.85%
City Hall/Public Works D.I.F.	22,556	246,039	151,635	276,316	124,681	82.22%
Community Center D.I.F.	19,137	-	288,974	400,000	111,026	38.42%
Lake Facilities D.I.F.	-	-	434,659	220,032	(214,627)	-49.38%
Animal Shelter D.I.F.	85,184	28,513	75,376	40,600	(34,776)	-46.14%
T.R.I.P.	498,878	500,008	512,186	491,675	(20,511)	-4.00%
La Strada RBBB	-	-	24,396	-	(24,396)	-100.00%
ELSP - Summerly Traffic Infrastructure Fee	-	-	3,423,421	3,520,332	96,911	2.83%
Traffic Impact	777,976	306,263	645,314	627,912	(17,402)	-2.70%
Storm Drains	599,409	22,809	3,357,017	3,676,359	319,342	9.51%
Quimby	860,401	280,213	315,240	131,364	(183,876)	-58.33%
Library D.I.F.	-	-	1,396,251	934,546	(461,705)	-33.07%
Fire D.I. F.	-	-	764,761	948,879	184,118	24.08%
Capital Improvement Plan	19,757,228	25,615,756	86,022,772	100,486,997	14,464,225	16.81%
Diamond Stadium	1,780,256	3,243,286	3,474,526	1,887,031	(1,587,495)	-45.69%
Public Improvement In-Lieu	-	-	1,803,260	1,930,067	126,807	7.03%
Total Expenditures	24,700,480	30,372,062	109,862,044	125,593,465	15,731,421	14.32%
Excess of Revenues Over (Under) Expenditures	4,821,312	(4,562,569)	(21,982,762)	(29,283,704)	(7,300,942)	33.21%
Operating Transfers:						
Operating Transfers In	4,065	1,985,505	-	-	-	n/a
Operating Transfers Out	-	-	-	-	-	n/a
	4,065	1,985,505	-	-	-	n/a



Excess of Revenues Over (Under) Expenditures	4,825,378	(2,577,064)	(21,982,762)	(29,283,704)	<u><u>\$ (7,300,942)</u></u>
Fund Balance, Beg. of Year	49,034,564	53,859,942	51,282,877	29,300,115	
Fund Balance, End of Year	<u>\$ 53,859,942</u>	<u>\$ 51,282,877</u>	<u>\$ 29,300,115</u>	<u>\$ 16,411</u>	



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

	FY 21-22 ACTUALS	FY 22-23 ACTUALS	FY 23-24 ADOPTED BUDGET	FY24-25 ADOPTED BUDGET	\$ Inc/ (Dec)	% Inc/ (Dec)
Revenues:						
Insurance Services	\$ 816,699	\$ 774,023	\$ 871,420	\$ 967,710	\$ 96,290	11.05%
Information Systems Services	2,855,856	2,064,027	2,443,220	2,203,990	(239,230)	-9.79%
Support Services	110,800	114,980	119,590	127,496	7,906	6.61%
Fleet Services	1,581,440	1,707,738	1,881,720	1,142,210	(739,510)	-39.30%
Facilities Services	2,589,313	988,478	1,017,880	1,158,610	140,730	13.83%
Total Revenues	7,954,108	5,649,246	6,333,830	5,600,016	(733,814)	-11.59%
Expenditures:						
Insurance Services	\$ 782,077	\$ 719,218	\$ 986,457	\$ 1,059,690	\$ 73,233	7.42%
Information Systems Services	1,127,700	1,384,323	2,518,470	2,103,634	(414,836)	-16.47%
Support Services	101,928	104,599	108,720	115,906	7,186	6.61%
Fleet Services	880,973	1,460,649	1,834,035	1,161,475	(672,560)	-36.67%
Facilities Services	706,305	868,647	1,050,310	1,178,286	127,976	12.18%
Total Expenditures	3,598,984	4,537,436	6,497,992	5,618,991	(879,001)	-13.53%
Excess of Revenues Over (Under) Expenditures	4,355,124	1,111,810	(164,162)	(18,975)	(1,612,815)	-145.06%
Operating Transfers:						
Operating Transfers In	-	-	-	-	-	n/a
Operating Transfers Out	-	-	-	-	-	n/a
	-	-	-	-	-	n/a
Excess of Revenues Over (Under) Expenditures	4,355,124	1,111,810	(164,162)	(18,975)	<u>\$ (1,612,815)</u>	
Fund Balance, Beg. of Year	2,967,112	7,322,236	8,434,046	8,269,884		
Fund Balance, End of Year	<u>\$ 7,322,236</u>	<u>\$ 8,434,046</u>	<u>\$ 8,269,884</u>	<u>\$ 8,250,909</u>		



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

	FY 21-22 ACTUALS	FY 22-23 ACTUALS	FY 23-24 ADOPTED BUDGET	FY24-25 ADOPTED BUDGET	\$ Inc/ (Dec)	% Inc/ (Dec)
Revenues:						
SARDA	\$ 16,687,568	\$ 15,790,851	\$ 22,200,464	\$ 22,366,153	\$ 165,689	0.75%
Total Revenues	16,687,568	15,790,851	22,200,464	22,366,153	165,689	0.75%
Expenditures:						
SARDA	\$ 11,946,417	\$ 7,357,565	\$ 10,336,180	\$ 9,636,180	\$ (700,000)	-6.77%
Total Expenditures	11,946,417	7,357,565	10,336,180	9,636,180	(700,000)	-6.77%
Excess of Revenues Over (Under) Expenditures	4,741,152	8,433,287	11,864,284	12,729,973	(534,311)	-6.34%
Operating Transfers:						
Operating Transfers In	-	-	-	-	-	n/a
Operating Transfers Out	-	-	-	-	-	n/a
	-	-	-	-	-	n/a
Excess of Revenues Over (Under) Expenditures	4,741,152	8,433,287	11,864,284	12,729,973	\$ (534,311)	
Fund Balance, Beg. of Year	(51,638,851)	(46,897,699)	(38,464,413)	(26,600,129)		
Fund Balance, End of Year	\$ (46,897,699)	\$ (38,464,413)	\$ (26,600,129)	\$ (13,870,156)		



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

	FY 21-22 ACTUALS	FY 22-23 ACTUALS	FY 23-24 ADOPTED BUDGET	FY24-25 ADOPTED BUDGET	\$ Inc/ (Dec)	% Inc/ (Dec)
Revenues:						
Launch Pointe	\$ 5,433,092	\$ 3,359,095	\$ 5,087,000	\$ 5,501,900	\$ 414,900	8.16%
Total Revenues	5,433,092	3,359,095	5,087,000	5,501,900	414,900	8.16%
Expenditures:						
Launch Pointe	\$ 6,171,047	\$ 4,712,145	\$ 5,898,193	\$ 6,500,808	\$ 602,615	10.22%
Total Expenditures	6,171,047	4,712,145	5,898,193	6,500,808	602,615	10.22%
Excess of Revenues Over (Under) Expenditures	(737,956)	(1,353,050)	(811,193)	(998,908)	1,017,515	-75.20%
Operating Transfers:						
Operating Transfers In	-	-	-	-	-	n/a
Operating Transfers Out	-	-	-	-	-	n/a
	-	-	-	-	-	n/a
Excess of Revenues Over (Under) Expenditures	(737,956)	(1,353,050)	(811,193)	(998,908)	\$ 1,017,515	
Fund Balance, Beg. of Year	17,091,719	16,353,763	15,000,714	14,189,521		
Fund Balance, End of Year	\$ 16,353,763	\$ 15,000,714	\$ 14,189,521	\$ 13,190,613		



DEPARTMENT INFORMATION



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 FY2024-2025 are 215, 16 of which are City Council members, City Planning Commissioners, Public Safety Advisory Commissioners, and Treasurer. The City maintains 157 regular full-time equivalent positions (of which 23 positions are unfunded), and 58 part-time positions.

Overall, there are 1 new position included in this budget to be added to the schedule of authorized positions.

<u>Department</u>	<u>Proposed Position</u>
Human Resources	Human Resources Specialist

In addition to the changes above, four 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>
Human Resources	Senior Human Resources Analyst	Human Resources Manager
Public Works Administration	Maintenance Worker I	Maintenance Worker II
Parks Maintenance	Maintenance Worker I	Maintenance Worker II
Information Technology	Information Technology Manager	Assistant Information Technology 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 FY2024-2025 is estimated to be \$2,718,910.



Summary of Budgeted Positions

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Department					
City Council	5.00	5.00	5.00	5.00	5.00
Community Support	0.80	3.00	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	3.5	4.00	4.00	4.00
Administrative Services					
Finance	8.83	9.33	9.66	9.66	9.66
Human Resources	2.33	2.33	2.66	2.66	3.66
Community Development					
Planning Commission	5.00	5.00	5.00	5.00	5.00
Planning & Zoning	8.40	9.40	12.00	13.00	13.00
Building & Safety	7.50	6.50	7.00	7.00	7.00
Code Enforcement	7.05	8.05	9.00	9.00	9.00
Economic Development					
Economic Development	0.05	0.05	2.00	3.00	3.00
Engineering	11.00	12.00	14.00	15.00	15.00
Public Safety					
Fire Prevention	1.00	2.00	2.00	2.00	2.00
Emergency Services	0.00	0.00	1.00	1.00	1.00
Public Works					
Public Works Administration	17.00	18.00	20.00	20.00	20.00
Park Services	10.00	12.00	12.00	12.00	12.00
Lake Services	2.00	2.00	2.00	2.00	2.00
Community Services					
Recreation	5.00	5.25	6.75	14.75	15.75
Community Center	21.00	20.00	23.00	23.00	23.00
Senior Center	6.00	6.00	7.00	7.00	7.00
Neighborhood Center	10.00	10.00	11.00	11.00	11.00
Internal Service Funds					
Insurances Services	0.34	0.34	.68	0.68	0.68
Information Technology	4.00	4.00	5.00	5.00	6.00
Fleet Services	3.00	3.00	3.00	3.00	3.00
Facilities Services	2.00	3.00	3.00	3.00	3.00
Launch Pointe	24.00	24.25	20.25	20.25	20.25
NPDES	2.00	0.00	0.00	0.00	0.00
Total Authorized Positions	<u>176.00</u>	<u>183.00</u>	<u>201.00</u>	<u>212.00</u>	<u>215.00</u>



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

- Economic Development

Public Service

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

Community Service

- Recreation
- Community Center
- Senior Center
- Neighborhood Center

Non-Departmental



DEPARTMENTS



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 2

Grow a vibrant and active City where our residents thrive.



ASPIRATION 3

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



ASPIRATION 4

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



City Council					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Increase participation in state, regional, and local meetings to represent the City	Increase partnerships	50 +	50 +	75 +
	Increase Businesses	Increase Economic Development Outreach Events	5	5	8
	City Council Regular and Special Meetings	Ensure the public has access to regular and special council meetings	21	21	25
	Public Access to the State of the City Address	Increase State of the City Attendance	380	400	450

City Clerk					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	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	623	535	500
	Implement and utilize technology to improve efficiency in the City Clerk's Office.	Number of Documents Scanned	12,246	10,109	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	82%	84%	100%
	Improve efficiencies for passport services and public records dissemination.	Number of Passport Applications Processed	508	501	500

City Manager					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Increase Community Engagement	Community Update Presentations	5	12	15
	Provide More Public Transit Options to our Residents	Weekly Meetings with Executive Management Team	0	0	1
	Increase Partnership with Chamber of Commerce	State of the City	1	1	1
	Affordable Housing	Affordable Housing Projects	0	1	1



Finance					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Monitor for the need of an additional Payable Clerk	Payable Invoices Paid Per Year	11,374	11,800	12,000
	Monitor for the need of an additional Business License Clerk and/or need for additional Economic Development tactics that improve the lives of citizens.	Number of Cash Receipts Processed	6,550	6,880	6,995

Human Resources					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Successfully support the community's needs	Average number of days to fill a full time vacancy	86	102	95
	Successfully support the community's needs	Average number of days to fill a part time vacancy	110	85	80
	Successfully support the community's needs	Full Time Turnover Rate	10%	6%	8%
	Successfully support the community's needs	Part Time Turnover Rate	44%	35%	30%
	Successfully support the community's needs	Attendance at Annual Benefit Fair	NA	NA	75%

Police Services					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Decrease response time for high priority calls for service	Measure response time in minutes year over year	7.38	7.08	6.75
	Decrease DUI related traffic collision and injuries.	Increase targeted DUI patrols and DUI arrests.	180	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	167	180	200
	Decrease Dui related traffic collisions and injuries.	Continue DUI checkpoints and saturation patrols as a way of educating the driving public.	3&6	1&8	1&8
	Revitalize the crime-free multi housing program	Increase the frequency of the apartment manager meetings.	3	6	12



Fire Suppression					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	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 call demand and response time standards.	25%	75%	100%
	Minimize the impact to life, property and all emergency situations	Average response times to emergency incidents within 5 minutes	100%	100%	100%
	Create a community risk reduction plan	Reduce the threat of wildfire to the community through, home hardening, defensible space and fuels reduction.	0	0	10%

Fire Prevention					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Create a Fire/ Life Safety program for the City	Establish a Community Risk Reduction program as an anchor, with 10% of structure (organization and processes) to be created by year end.	0%	10%	20%
	Create a more user friendly version of the Lake Elsinore Office of the Fire Marshal web page.	Provide easier to find links and additional informational pages (Fire Life Safety/ CRR and Wildland Urban Interface)	50%	75%	100%
	Create a comprehensive and up to date and standardized document library for LEOFM technical policies, Guidelines and Standards.	Using the three most currently updated policies from County OFM, and in cooperation with City departments, update information to apply to the City and publish to our web page.	0%	50%	100%

Animal Services					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Licensed Animals in the City	Increase in the Number of Licensed Animals in the City	10%	10%	15%
	Increase Animal Control Response Time	Animal Control Officers	1	1.5	1.5
	Cost Recovery Improvement	Increase Percentage of Cost Recovery	10%	20%	25%



Emergency Services					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Provide emergency readiness training for the community yearly	CERT & LISTOS training for the community	1	2	2
	Continue 2 yearly exercises for EOC staff	EOC TTX and Functional Exercise	2	2	2
	Build a stronger relationship with local, county, state, and federal partners	City Emergency Expos, Pre-Disaster Planning Meetings	10	12	14

Planning & Zoning					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	General Plan Update	Complete initial draft, environmental review, and final adoption	30%	70%	100%
	Zoning Code Update	Complete initial draft, public review, and final adoption	0%	50%	100%
	Adopt customer-friendly web and phone service	Percent of all customer requests responded to within 1 working day	80%	80%	100%
	Use technology to capture and preserve institutional knowledge	Digitize and manage all Planning records	30%	75%	100%
	Streamline Entitlement Process	Issue all comment letters within 30 days of receipt of application	100%	100%	100%

Building & Safety					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	All Permits Online	Building Permits Issued	2,860	3,000	3,000
	Inspection Results done on I Pad	Number of Inspections Performed	14,380	15,000	15,000
	Plan Reviews Done Electronically	Plan Reviews Completed	1,331	1,000	1,000
	Increase Review times to 7 Days	Plan Reviews Completed within 10 days Re-Checks with in 5 Days	100%	100%	100%
	Work With Business Owners for a Safer Community	Number of Certificates of Occupancy	121	100	100



Economic Development					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Facilitate streamlined Development review/entitlement processes (engineering, Comm Dev, Fire collab)	Reduce major/minor approval timeframes by 25%	n/a	n/a	100%
	Promote local business expansion opporltnities for Lake Elsinore's existing businesses and industries	Develop B3 Program (building better business); conduct Fam tours; host broker event	n/a	n/a	100%
	Expand the economic base though recruitent of targeted industries	Kick-off Comprehensive Economic Development Strategy Plan (5 year plan)	n/a	n/a	100%
	Downtown Revitalization	Engage Urban Land Institute; increase visitors by 20%	n/a	n/a	100%

Code Enforcement					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Keeping Lake Elsinore as the number one destination for action sports.	Providing a safe and pleasurable environment through the fair and impartial enforcement of City and State Codes.	100%	100%	100%
	Making sure Lake Elsinore continues to be a safe place to raise a family.	Maintaining the quality of life for our residents by actively enforcing municipal codes in a fair and effective manner.	100%	100%	100%
	Ensure Lake Elsinore remains a top destination for businesses and visitors.	Take a pro-active approach to addressing blighted conditions.	100%	100%	100%
	Maintain ongoing collaborations with city partners.	Continue weekly/bi-weekly outreaches and maintain an active role in the homeless task force.	100%	100%	100%
	Continue to enhance the quality of life for residents, businesses and visitors.	Uphold Lake Elsinore's property maintenance standards.	100%	100%	100%



Engineering					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Ensure City's roadway, pedestrian, and bike lane infrastructure is highly functional	Roadway pavement, sidewalk constructed/repaired	1,784,000 SF	1,508,000 SF	1,505,000 SF
	Improve the City's drainage network and implement Master Drainage Plan Facilities	Drainage lines constructed to include cross gutters. New catch basins constructed	26,920 SF	23,520 SF	22,520 SF
	Improve water quality within the City and the Lake's watershed to satisfy NPDES requirements	Catch basins retrofitted with trash capture inserts. Water quality elements constructed or improved	2	202	205
	Improve operational efficiency at I-15 Interchanges and adjacent local intersections	Incorporate interchange improvements and traffic signal upgrades	Ongoing	Ongoing	Ongoing
	Implement Local Road Safety Plan	Increase safe, healthy, equitable mobility for all.	Ongoing	Ongoing	Ongoing

Public Works					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Minimize the impact of life, property and the environment from natural hazards and the emergency situations.	Total number of storm drains inlets inspected/cleaned.	465	550	600
	Continue to maintain local roads and streets.	Total number of street signs replaced, repaired and installed.	675	750	800
	Continue to maintain local roads and streets.	Total linear sq. ft. of asphalt cracks fills completed each year.	110,000	200,000	300,000
	Continue to maintain local roads and streets.	Total sq. ft. of asphalt repairs completed each year.	300,000	400,000	500,000
	Maintain the natural beauty of the community.	Total number of trees trimmed each year.	1,750	1,800	1,900

Public Works - Parks					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Maintain the natural beauty of the community.	Number of trees trimmed in Parks and Beaches each year.	1,662	2,500	2,000
	Promote energy efficient operations & development.	Average number of park site energy efficiency lighting system conversions each year.	37	30	30
	Provide highly functional and sustainable City Facilities and infrastructure.	Average number of City park rehabilitation and repair projects completed each year.	26	14	10
	Promote community involvement.	Average number of park maintenance requests completed each year.	136	100	100



Recreation					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Promote high quality Parks and Recreation Program and Cultural Services	Number of people in attendance at cultural events	8,500	9,000	12,000
	Offer signature events to the community	Number of signature events hosted per year	3	6	8
	Embrace technology to support the delivery of City services	Increasing the use of social media and new technology	600	1,000	1,500
	Improve the overall access to Health related recreation programming	Host two signature events and quarterly initiatives promoting healthy recreation.	NA	6	8

Community Center					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Promote quality parks and recreation programs	Maintain recreational use at 75%	50%	75%	85%
	Encourage community participation in water preparedness	Number of swim programs offered	20	30	50
	Provide quality adult opportunities	Number of Adult Sports/Fitness Offerings	2	3	4

Senior Center					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Encourage and promote daily programming	Increase programming by 5%	0.03	0.05	0.06
	Enhance experiences for daily participants	Increase travel or in-house presentations by 1 per month	12	24	28
	Foster a healthy Senior Community through a variety of opportunities	Health classes, classes and screenings at the Senior Center	150	200	216
	Growing programs and events that supports and fosters inclusivity within our special needs community.	Provide Seniors Rooms at major City events and monthly programs	14	16	20



Neighborhood Center					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Promote quality parks and recreation programs	Maintain recreational use at 75%	30%	75%	85%
	Encourage community participation through Adaptive Recreation	Number of programs offered	6	12	18
	Provide clean, accessible and affordable rental opportunities	Number of rentals per year	6	12	16
	Create new programming through partnership with LEUSD	Expand ELP (afterschool program) at 10%	3	5	8

Information Technology					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Foster an organization structure aligning resources with demand	Percentage of computers replaced adhering to lifecycle replacement program	25%	20%	20%
	Foster an organization structure aligning resources with demand	Reduce the number of open help desk tickets to an average of 50	30	40	40
	Expand digital services to residents/businesses to maximize efficiencies	Percentage of city services accessible to residents/businesses via digital platform	40%	50%	50%
	Enable systems to safeguard against cyber threats.	Number of security incidents or data breaches	5%	10%	10%

Launch Pointe					
Dream Extreme Aspiration	Long Term Goal	Performance Measure	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Target
	Broaden Lake Elsinore's appeal as a tourist destination	Authenticate Launch Pointe's verified listing activity	10	15	20
	Ensure Launch Pointe is family friendly	Weekend events throughout the year	50	80	100
	Continue to build a culture of innovation at Launch Pointe	Accessing more technological opportunities for guests and increase revenues	0.08	0.12	15
	Become a one stop shop for Fishing access	Become a distribution site for State of California Fishing License	NA	NA	25
	Implement and enhance the Annual Dream Extreme Derby	Increase participation of teams at 5% growth YOY	N/A	60	65



General Government

Mission

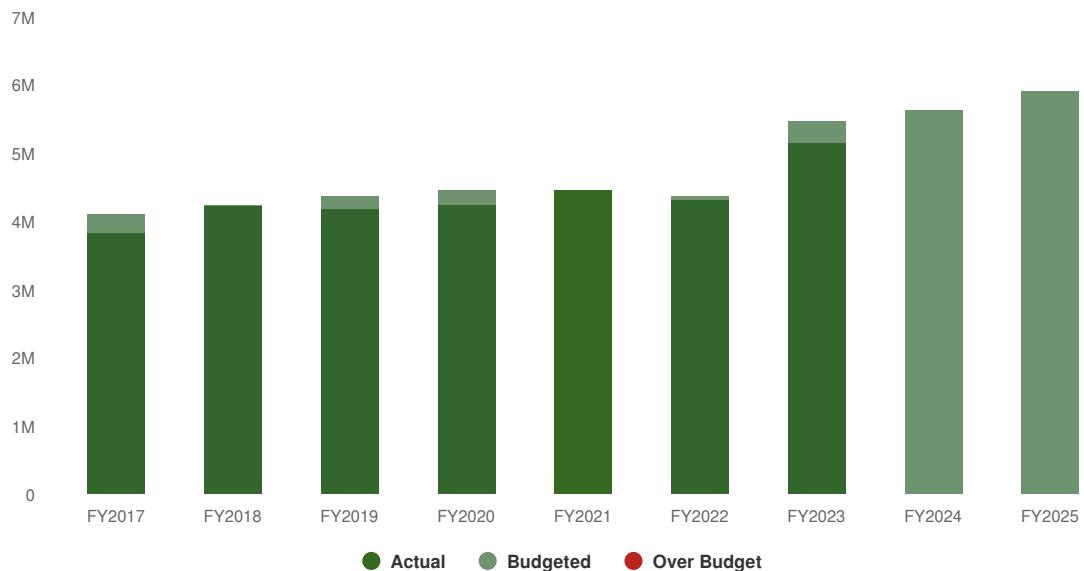
The General Government Division is comprised of the City Council, Community Support, City Treasurer, City Clerk, City Manager, and Administration Services (Finance and Human Resources) to serve the City of Lake Elsinore.

Expenditures Summary

\$5,915,050 **\$284,940**

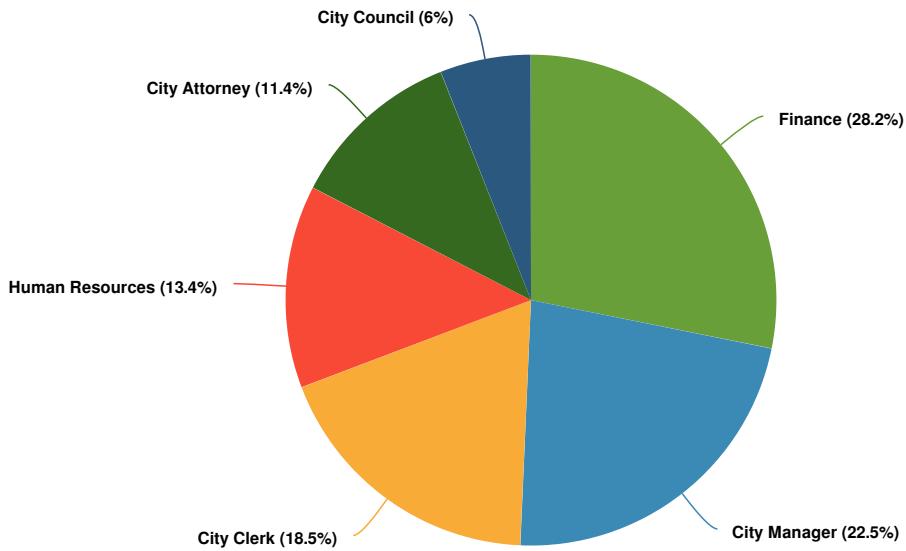
(5.06% vs. prior year)

General Government Proposed and Historical Budget vs. Actual

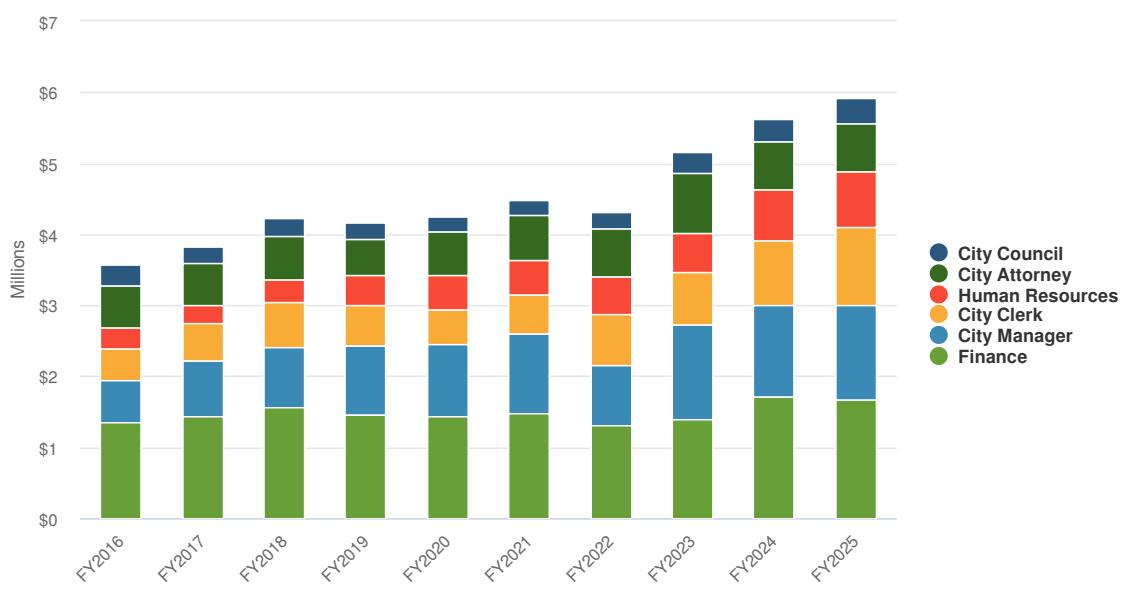


Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function

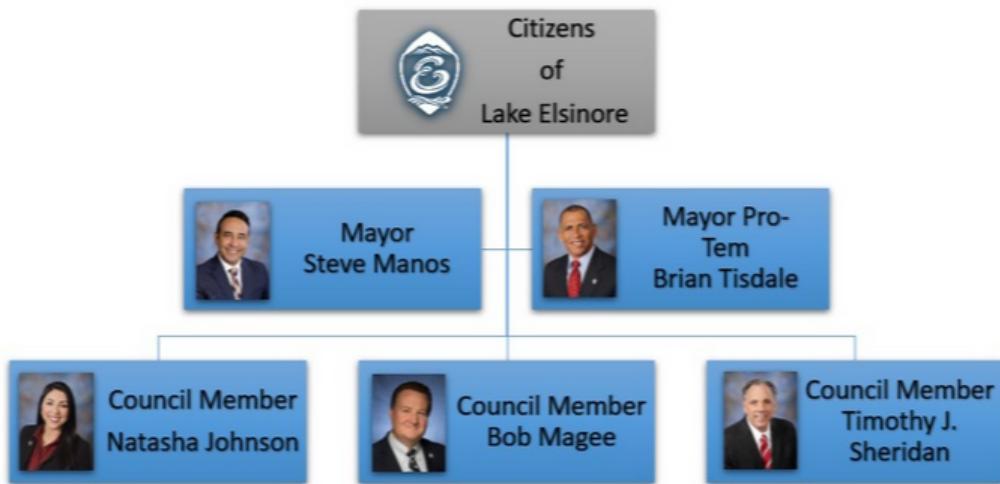


City Council

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.

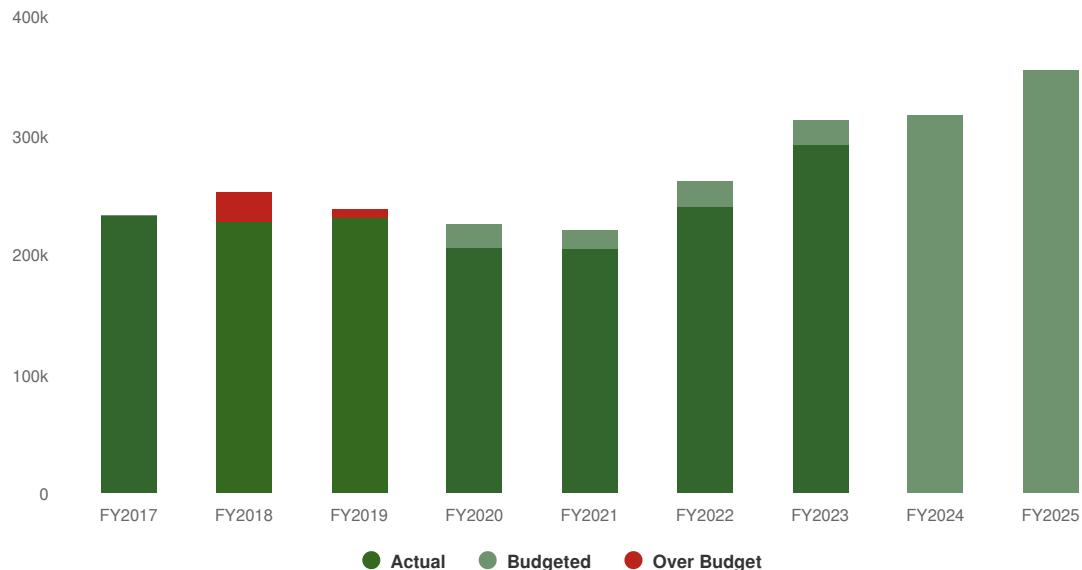
Organizational Chart



Expenditures Summary

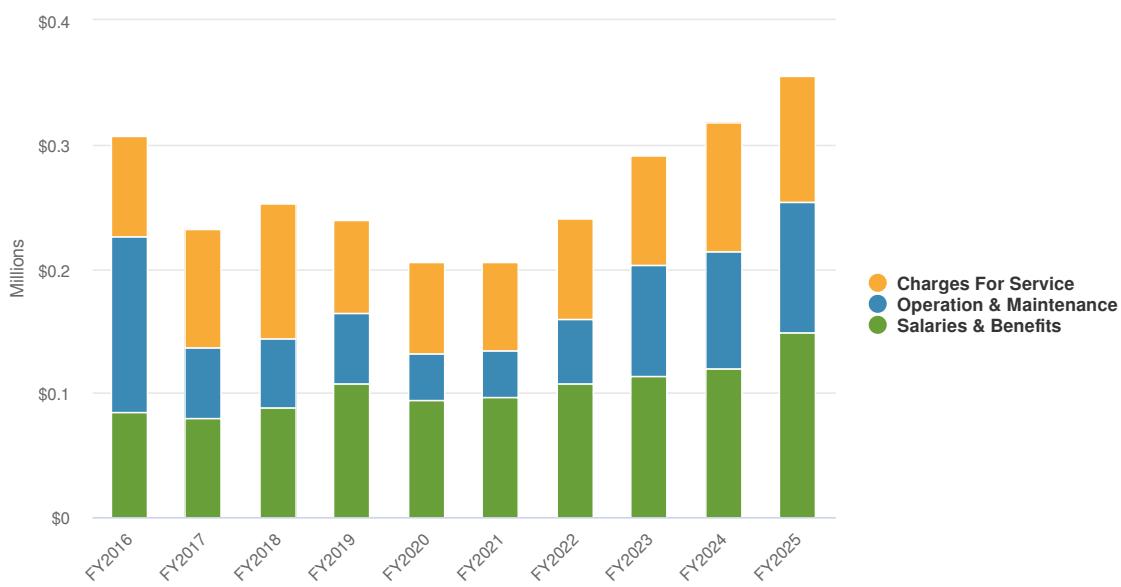
\$354,770 **\$37,400**
(11.78% vs. prior year)

City Council Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$107,686.73	\$113,333.58	\$119,970.00	\$149,000.00
Operation & Maintenance	\$51,772.93	\$89,469.34	\$93,340.00	\$104,650.00
Charges For Service	\$80,585.00	\$88,809.00	\$104,060.00	\$101,120.00
Total Expense Objects:	\$240,044.66	\$291,611.92	\$317,370.00	\$354,770.00



Personnel Allocation

CITY COUNCIL	AUTHORIZED		AUTHORIZED	
	FY23-24	CHANGES		FY24-25
Council Member	Total	5.00	-	5.00

FY 2023 - 24 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.
- 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 podcasts and Spotlight Lake Elsinore video series and exploring new digital signage opportunities in the City.
- Hosted the Annual State of the City at Launch Pointe
- 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.
- Passed a comprehensive lake management plan to 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

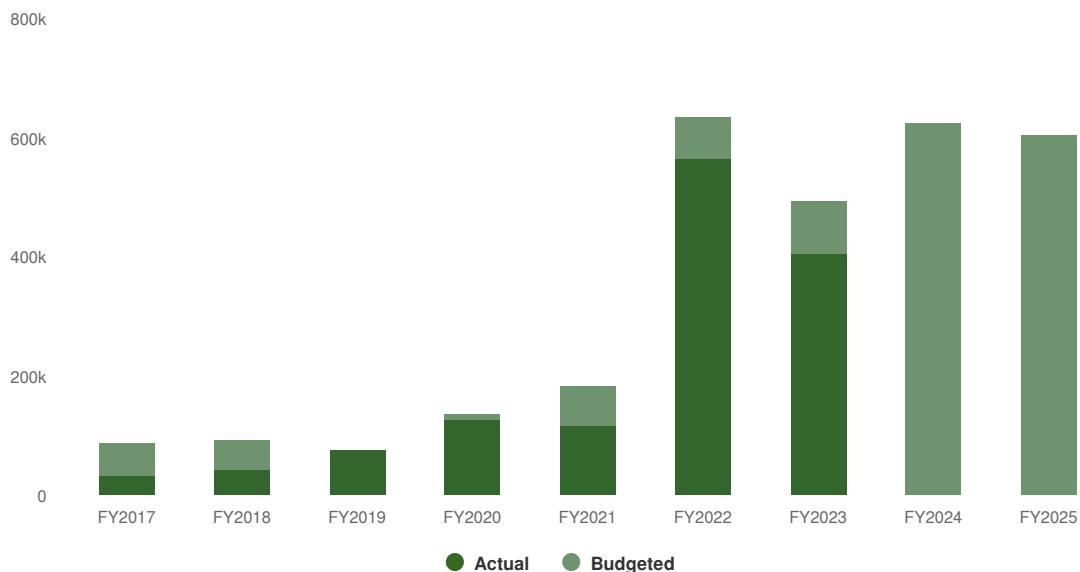
Mission

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 Summary

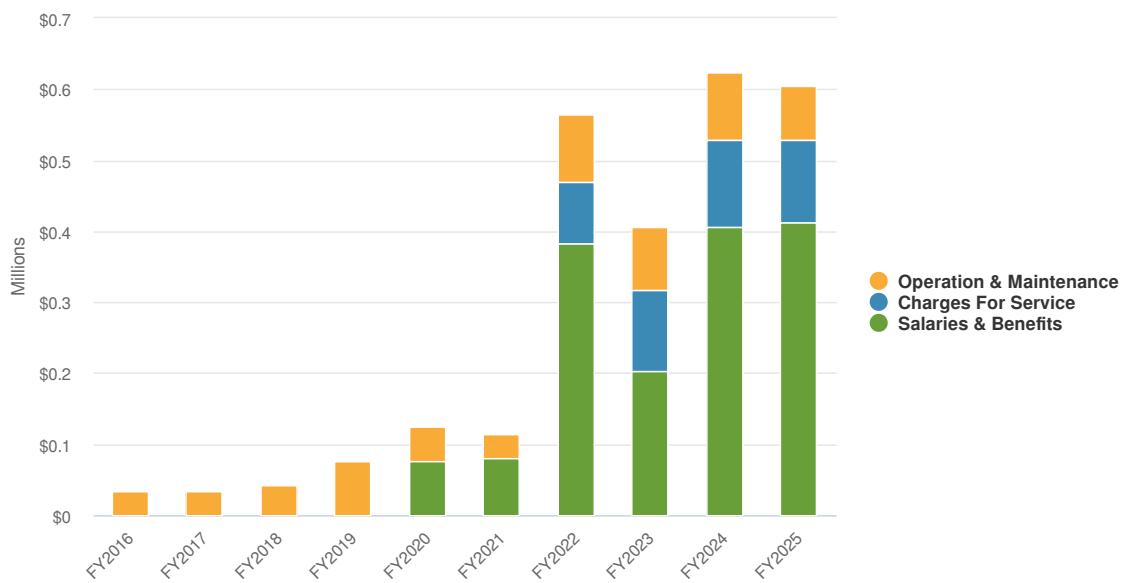
\$604,260 **-\$19,430**
(-3.12% vs. prior year)

Community Support Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



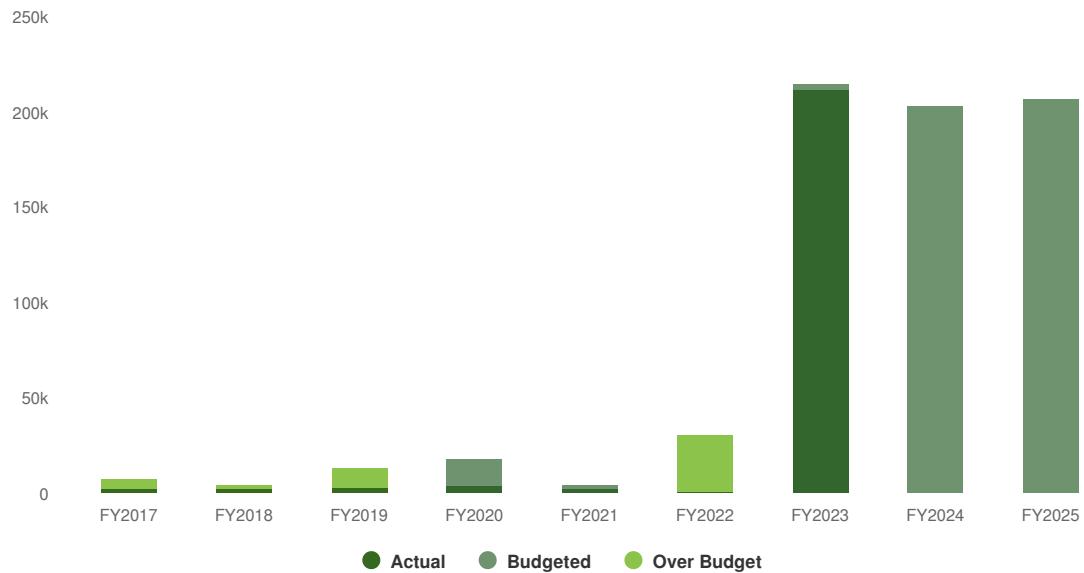
Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$381,976.08	\$202,825.30	\$405,970.00	\$412,360.00
Operation & Maintenance	\$93,945.97	\$88,358.69	\$94,800.00	\$75,000.00
Charges For Service	\$88,093.00	\$114,273.00	\$123,290.00	\$116,900.00
Total Expense Objects:	\$564,015.05	\$405,456.99	\$624,060.00	\$604,260.00



Revenues Summary

\$206,740 **\$3,820**
(1.88% vs. prior year)

Community Support Proposed and Historical Budget vs. Actual



Personnel Allocation

	AUTHORIZED FY23-24	CHANGES	AUTHORIZED FY24-25
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	5.00	-	5.00

FY 2023 - 24 Accomplishments

- o Implemented Lake Elsinore's first Lake Management Plan, launching nanobubble and algaecide pilot projects.
- o Expanded homeless services and outreach efforts, collaborating regionally and engaging in educational initiatives.
- o Participated in the Stanford Impact Lab Fellowship to analyze and enhance city homelessness services, informing future strategies.
- o Strengthened partnership with Animal Friends of the Valleys, enhancing microchipping, licensing, and adoption services.
- o Secured \$5 million from Congressman Ken Calvert for homelessness initiatives and road infrastructure
- o Hosted Lake Elsinore's inaugural Live Under the Stars concert on Historic Downtown Main Street, benefiting the Downtown Merchant Owners Association.
- o Proactively supported all departments with public information efforts, particularly for capital improvement projects, lake water quality projects, and homeless programs.
- o 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.
- o Identified and applied for grant funding for key areas of focus for the City including homelessness, housing programs, and lake water quality projects.
- o Maintained consistent community engagement through the city website, social media platforms, and the Elsinore Edition monthly newsletter.
- o Produced high-quality visual assets such as photos and videos for marketing materials, bolstering the Dream Extreme branding.
- o Launched two additional Community Cleanups to combat illegal dumping and assist residents with bulky trash disposal.



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.

Organizational Chart

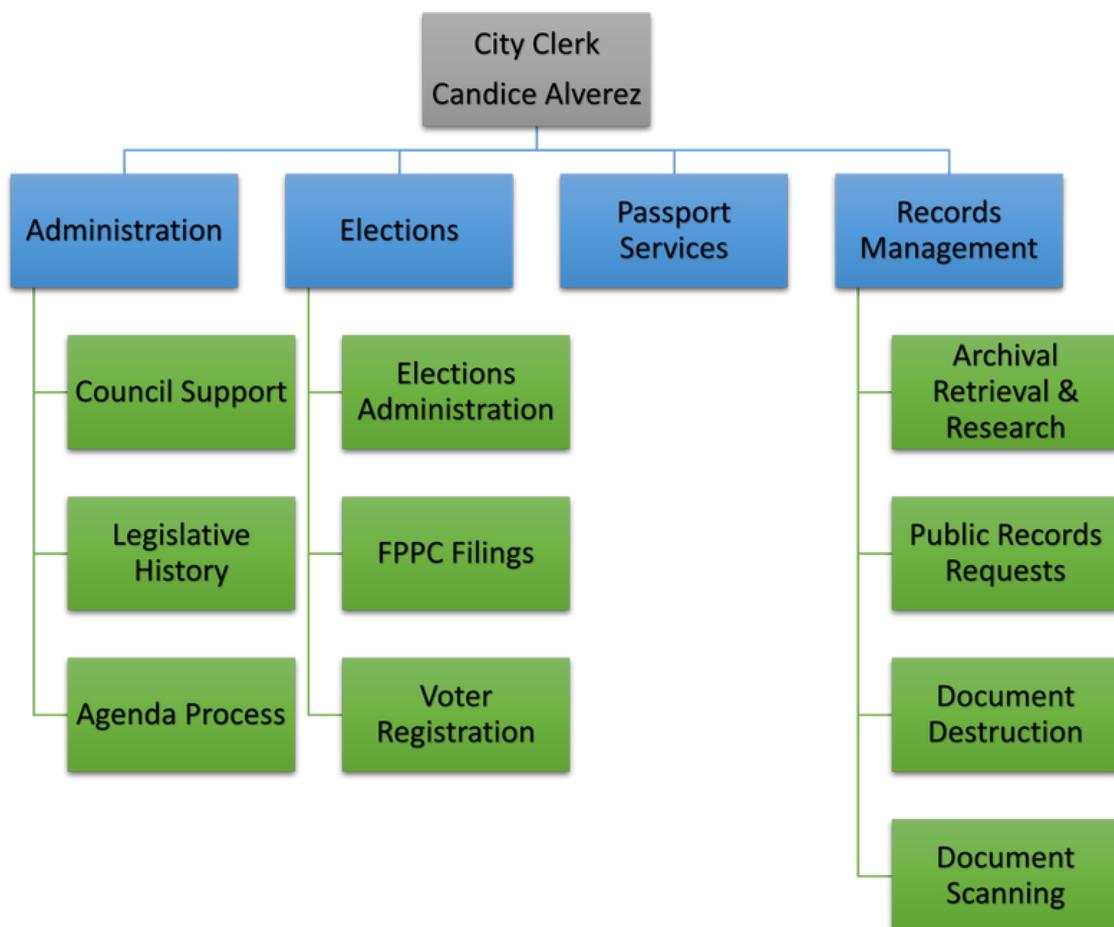


City Clerk

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.

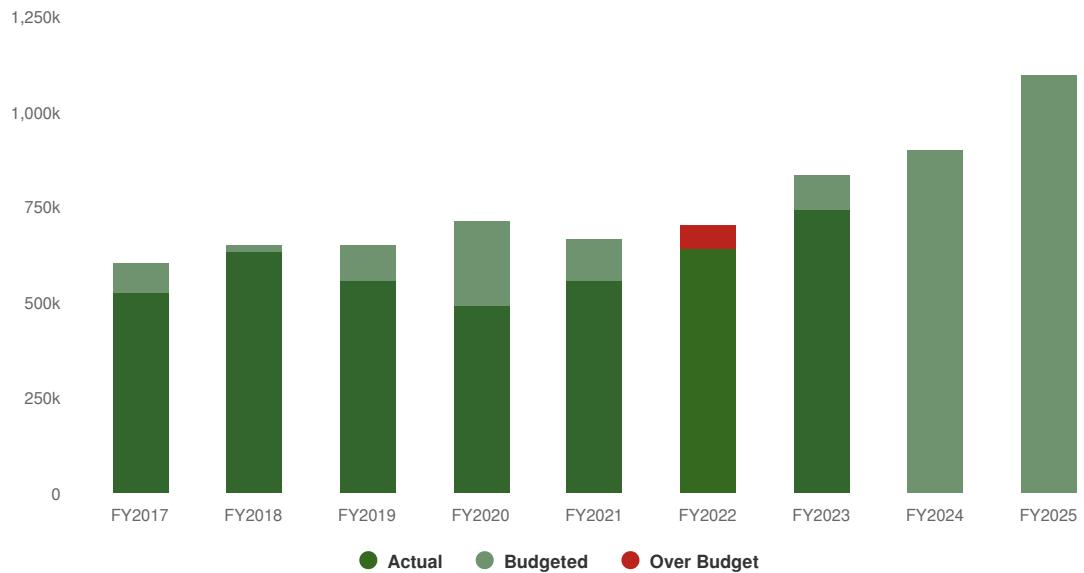
Organizational Chart



Expenditures Summary

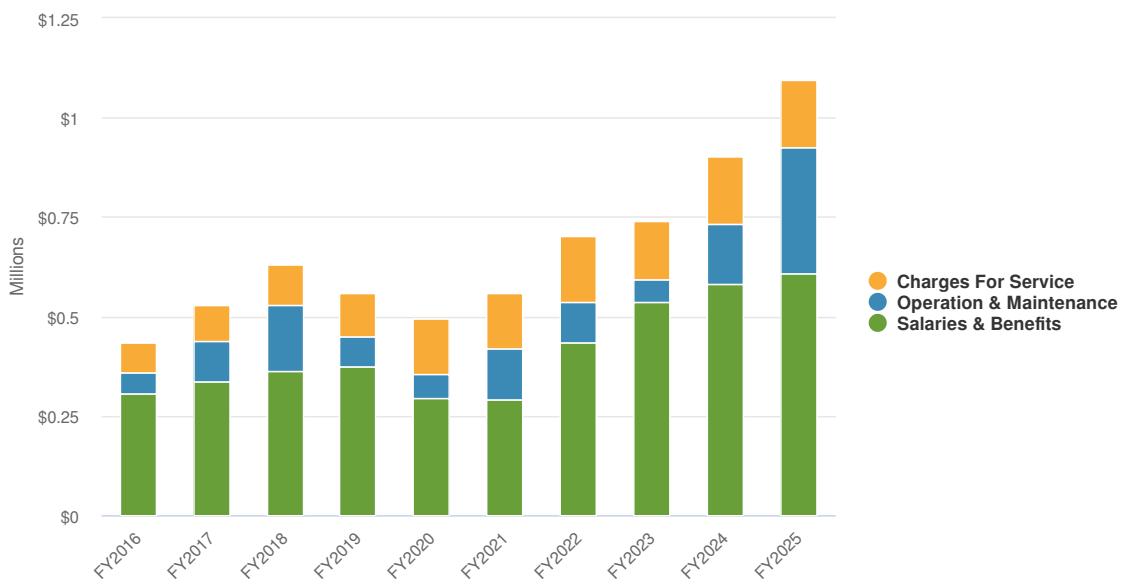
\$1,095,020 **\$193,920**
(21.52% vs. prior year)

City Clerk Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$435,215.20	\$537,322.21	\$582,480.00	\$608,750.00
Operation & Maintenance	\$100,385.04	\$54,669.44	\$148,740.00	\$317,590.00
Charges For Service	\$167,949.00	\$149,445.00	\$170,430.00	\$168,680.00
Total Expense Objects:	\$703,549.24	\$741,436.65	\$901,650.00	\$1,095,020.00

Personnel Allocation

	AUTHORIZED FY23-24	CHANGES	AUTHORIZED FY24-25
CITY CLERK			
City Clerk	1.00	-	1.00
Deputy City Clerk	1.00	-	1.00
Administrative Assistant	1.00	-	1.00
Total	3.00	-	3.00

FY 2023 - 24 Accomplishments

- Engaged 26 high school juniors and seniors in an immersive experience with local government.
 - The program provided students with hands-on learning opportunities, allowing them to understand the intricacies of city governance. Through workshops, shadowing sessions, and interactive activities, participants gained valuable insights into public administration, civic responsibility, and leadership. This initiative not only fostered a connection between the youth and local government but also inspired future civic leaders.
- Destroyed 87 boxes of outdated records in strict compliance with the City's Records Retention Schedule, ensuring that all procedures adhered to legal requirements and industry best practices.
 - This effort streamlined the organization's archival system and made space for more current documents. Additionally, the City Clerk's Office organized 100 more boxes of records for scanning, which will digitize these documents and make them more accessible while preserving their integrity for long-term use. This project significantly contributes to modernizing the office's records management practices.
- Provided comprehensive training opportunities for staff, focusing on critical areas such as election administration, public records management, and the California Public Records Act.
 - These sessions were designed to enhance the team's expertise and ensure that they are well-equipped to handle their responsibilities with efficiency and professionalism. By investing in ongoing education and skill-building, the office not only improved its service delivery but also reinforced its commitment to maintaining a knowledgeable and capable workforce.
- Delivered exceptional support to the city's legislative processes, particularly in agenda management and meeting preparation.
 - The office ensured that all agendas were meticulously organized, all necessary documents were prepared and distributed in a timely manner, all meetings were conducted smoothly, and all follow-up items were completed appropriately. This role was crucial in facilitating the city's decision-making processes and ensuring that legislative operations were transparent, well-documented, and aligned with regulatory standards.



City Attorney

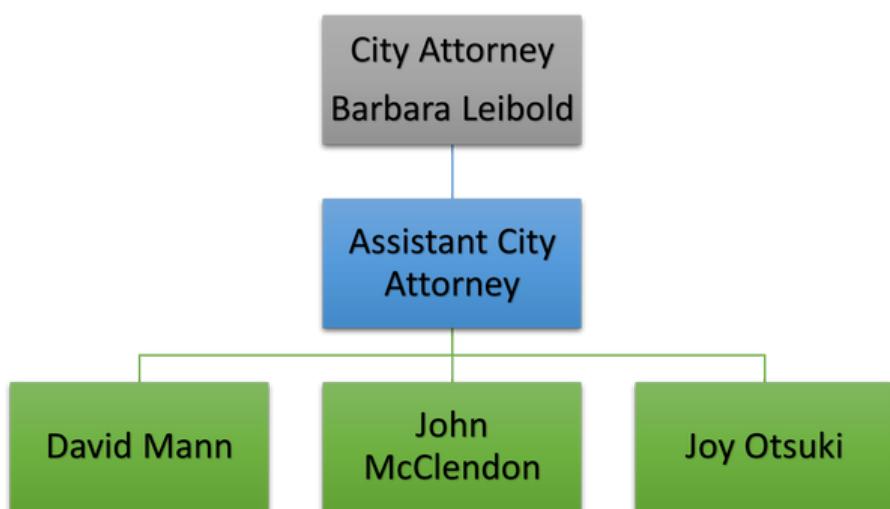
Mission

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.

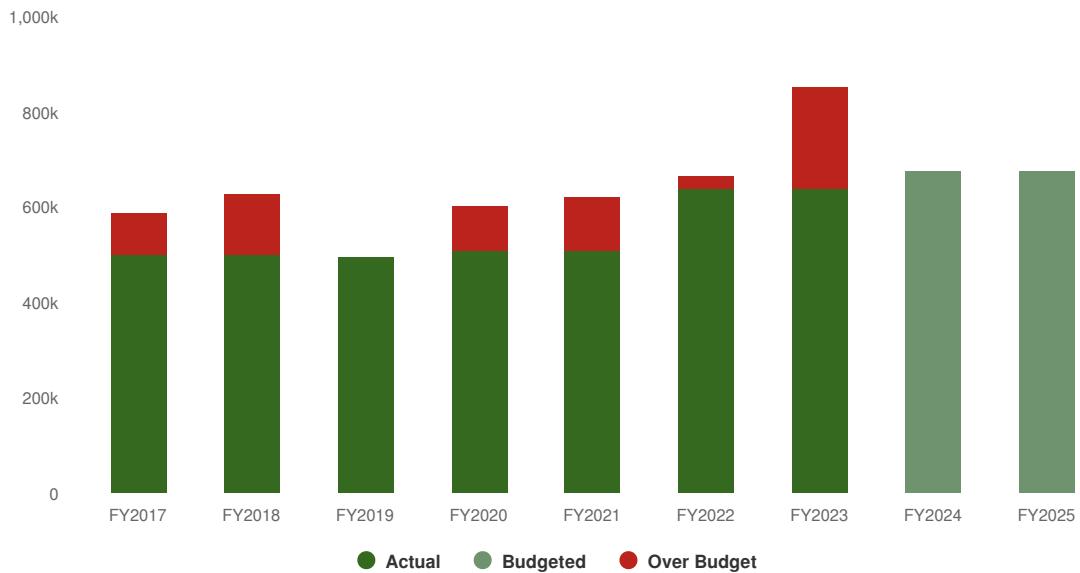
Organizational Chart



Expenditures Summary

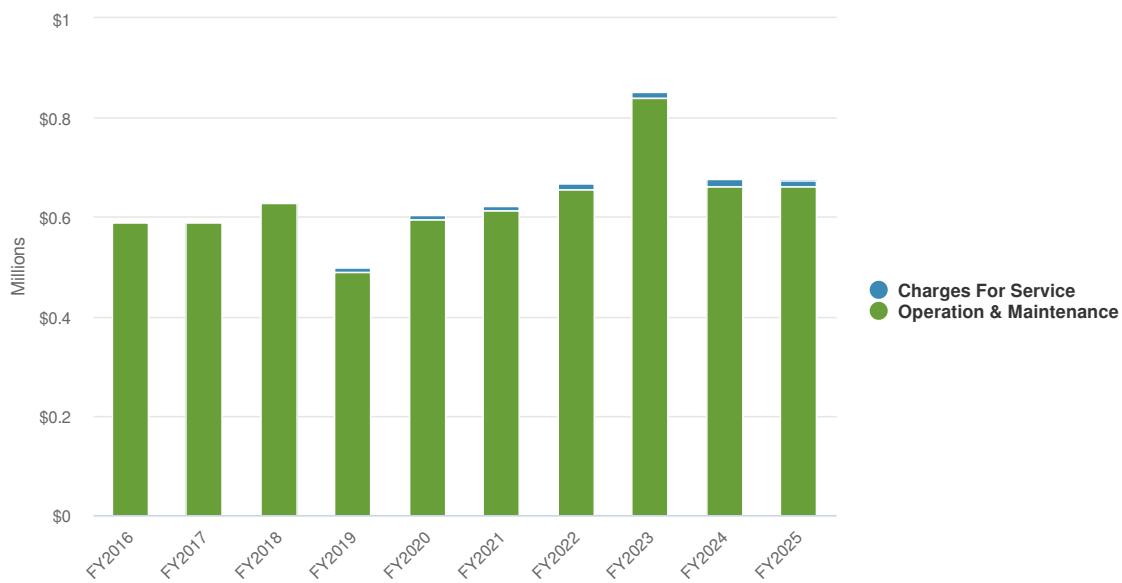
\$675,190 **-\$1,020**
(-0.15% vs. prior year)

City Attorney Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Operation & Maintenance	\$656,570.93	\$839,018.02	\$660,600.00	\$661,380.00
Charges For Service	\$10,706.00	\$12,949.00	\$15,610.00	\$13,810.00
Total Expense Objects:	\$667,276.93	\$851,967.02	\$676,210.00	\$675,190.00



FY 2023 - 24 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.
- Advanced City interests with RCA/CDFW/USFW to implement Back Basin 770 acre MSHCP plan, finalized Summerly conservation easements, assignment of permit obligations, project mitigation requirements, and wetland and environmental matters.
- Represented City in real property negotiations, including acquisition of affordable housing sites, open space/preservation sites, Murietta Creek Trail ROW, Temescal Canyon Bridge project ROW, and surplus property disposition.
- Assisted City in completion of Annual Housing Element Progress Report.
- Advised City on SB 341 Housing Fund Reports and assisted consultants by compiling documents and analyses to ensure compliance and guide negotiations of new affordable housing project agreements and financing commitments.
- Assisted City in securing \$5 million County ARPA funding for Riley Street project; preparation and review of project financing documents and affordability covenants.
- Participated in regular periodic all-hands meetings with City staff and developers.
- Assisted City staff regarding cannabis regulations, moratorium, review and implementation of Development Agreements and enforcement actions.
- Advised City on matters involving Launch Point and prepared new use agreements.
- Represented City involving personnel matters.
- Prepared updated Solid Waste Services Franchise Agreement.
- Guided City Council regarding threats of litigation
- Advised Successor Agency and secured RPTTF funding for enforceable obligations, including bonded indebtedness, Stadium, Summerly DDA and repayment of LMIHF Loan.
- Prepared the draft Tenth Amendment to the Stadium Interim Management Agreement, securing funding for continued operations and capital projects and obtained DOF approval.

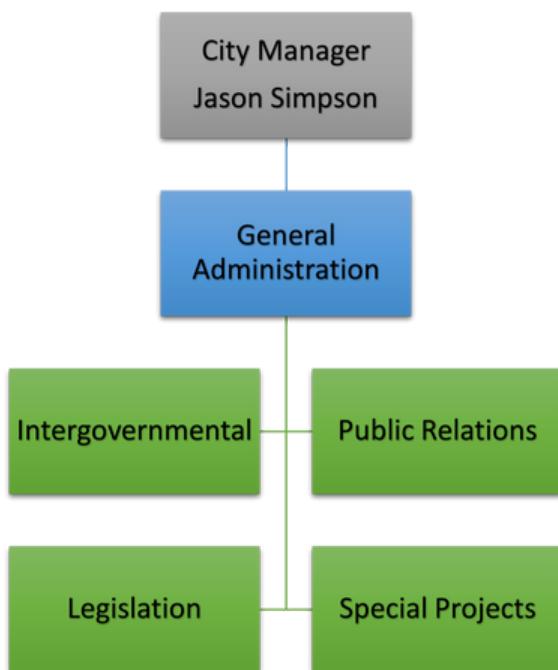


City Manager

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.

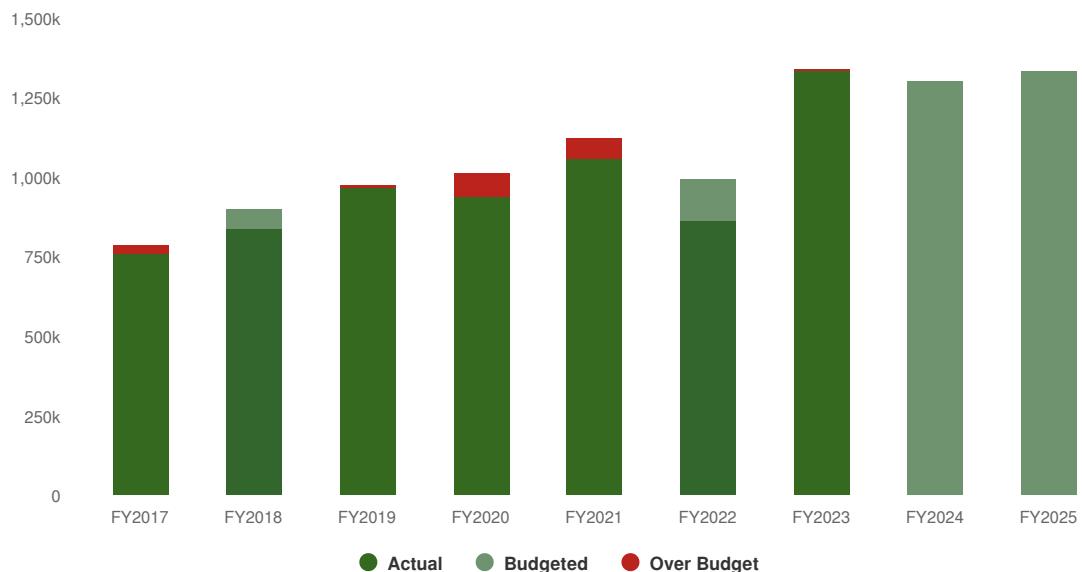
Organizational Chart



Expenditures Summary

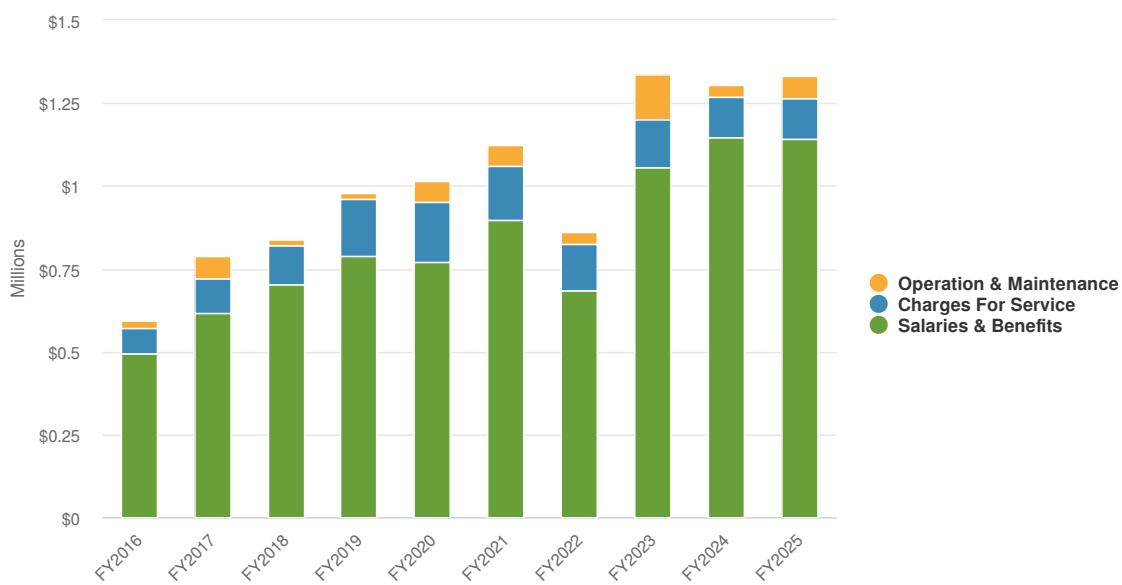
\$1,333,230 **\$29,450**
(2.26% vs. prior year)

City Manager Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$686,028.66	\$1,056,254.30	\$1,209,720.00	\$1,143,870.00
Operation & Maintenance	\$36,853.43	\$135,892.09	\$66,500.00	\$67,400.00
Charges For Service	\$139,443.00	\$146,365.00	\$120,300.00	\$121,960.00
Total Expense Objects:	\$862,325.09	\$1,338,511.39	\$1,396,520.00	\$1,333,230.00



Personnel Allocation

	AUTHORIZED FY23-24	CHANGES	AUTHORIZED FY24-25
<u>CITY MANAGER</u>			
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	4.00	-	4.00

FY 2023 - 24 Accomplishments

- o Broke ground on new City Hall building, that will serve as a modern hub for municipal services, designed to meet the growing needs of our residents and provide a welcoming space for public engagement and local governance.
- o Secured \$10 million in funding to build a new modern library.
- o Reorganized and restructured some departments to fill critical vacancies in the City including Lake Management, Economic Development, Planning and Community Development.
- o Applied for funding opportunities to support high priority issues in the community including homelessness, transportation, pedestrian pathways, the Lake and public safety.
- o Continued critical conversations and relationship building with outside agencies and entities to reduce delays and encourage progress for current and future development.
- o Continued to foster positive working relationships with area stakeholders by participating in regional, collaborative meetings with surrounding cities, agencies and stakeholders.
- o Identified and facilitate the purchase and/or acquisition of key properties throughout the City that provide valuable resources for future community projects.
- o Created and promoted professional development opportunities throughout the organization to allow for positive succession amongst employees.
- o 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.
- o 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.
- o Facilitated ongoing communication and collaboration across departments.
- o Proactively engaged with property owners and business owners to promote and support their success whenever possible.
- o Used city council subcommittees to effectively manage complex tasks and projects that require additional oversight, discussion and approval.
- o Supported and assisted all departments, when needed, in prioritizing, communicating, and completing their goals.
- o Hosted the 2023 State of the City Address at Launch Pointe.

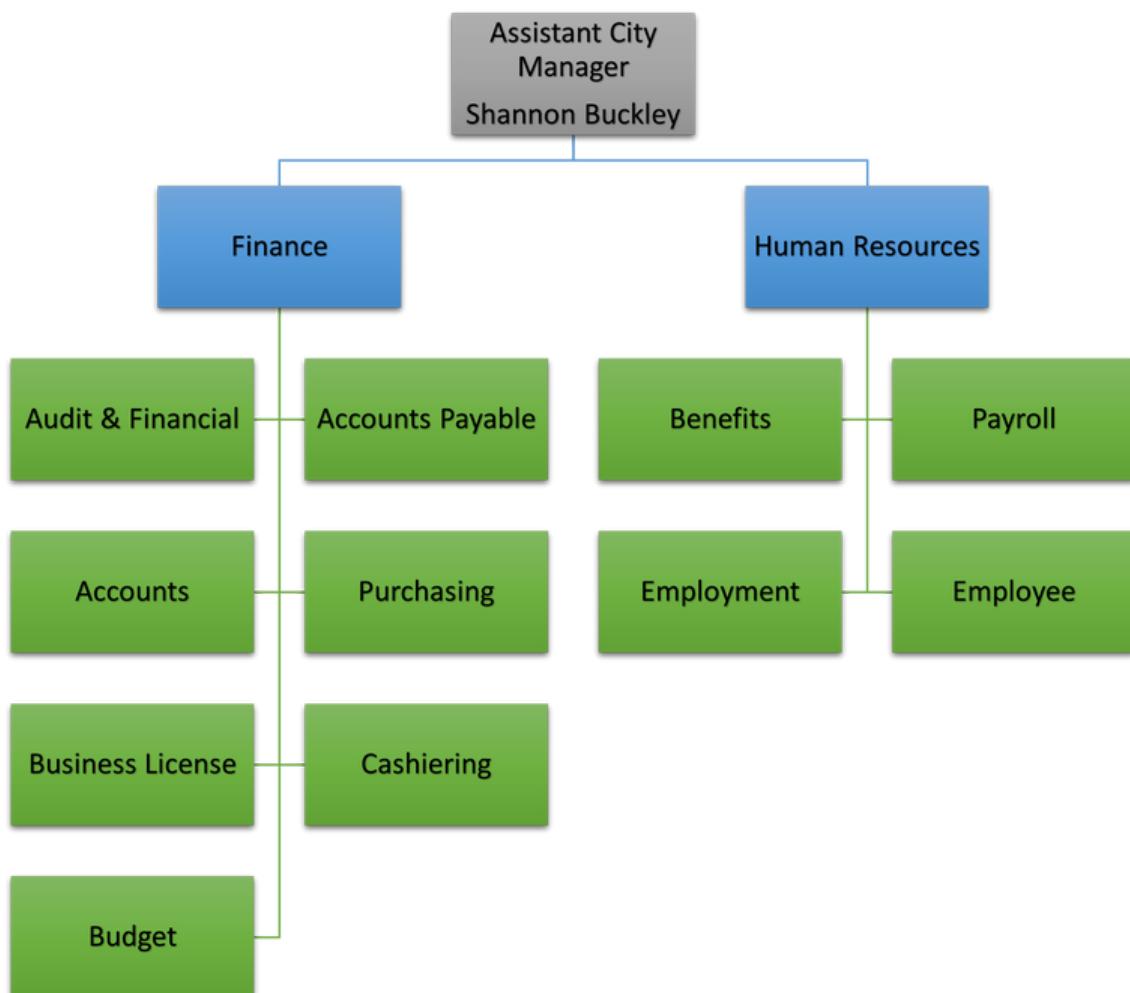


Administrative Services

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.

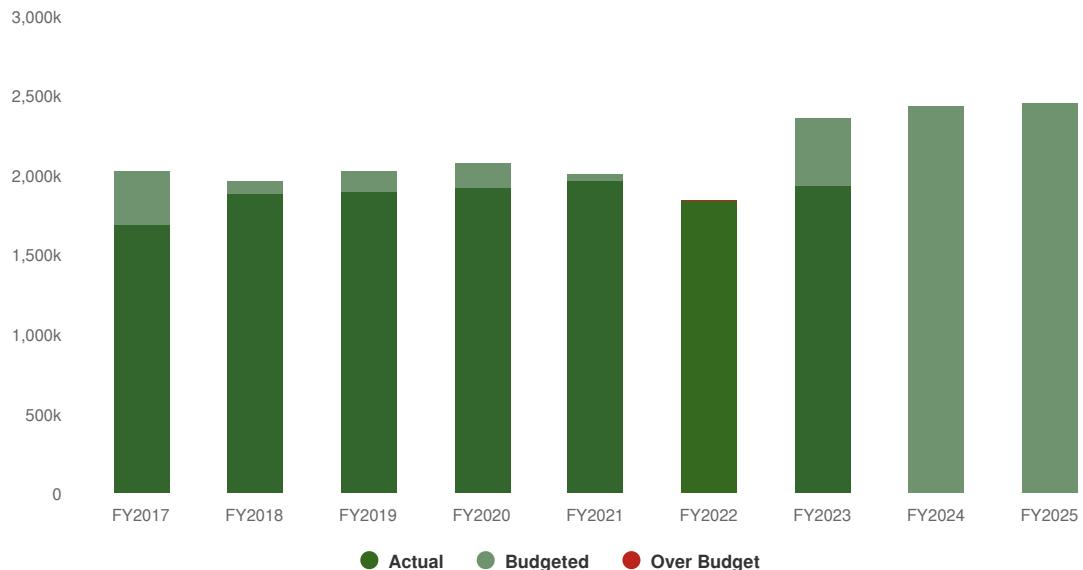
Organizational Chart



Expenditures Summary

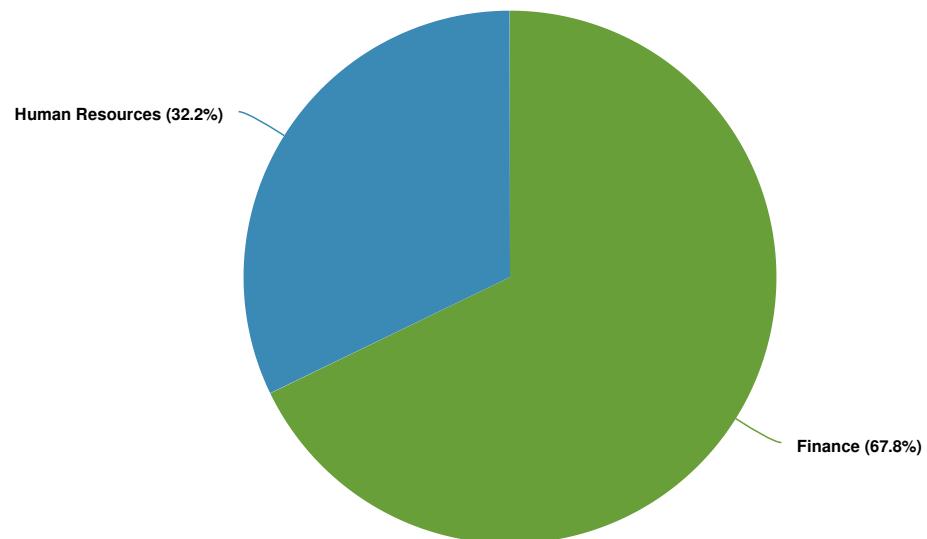
\$2,456,840 **\$25,190**
(1.04% vs. prior year)

Administration Services Proposed and Historical Budget vs. Actual

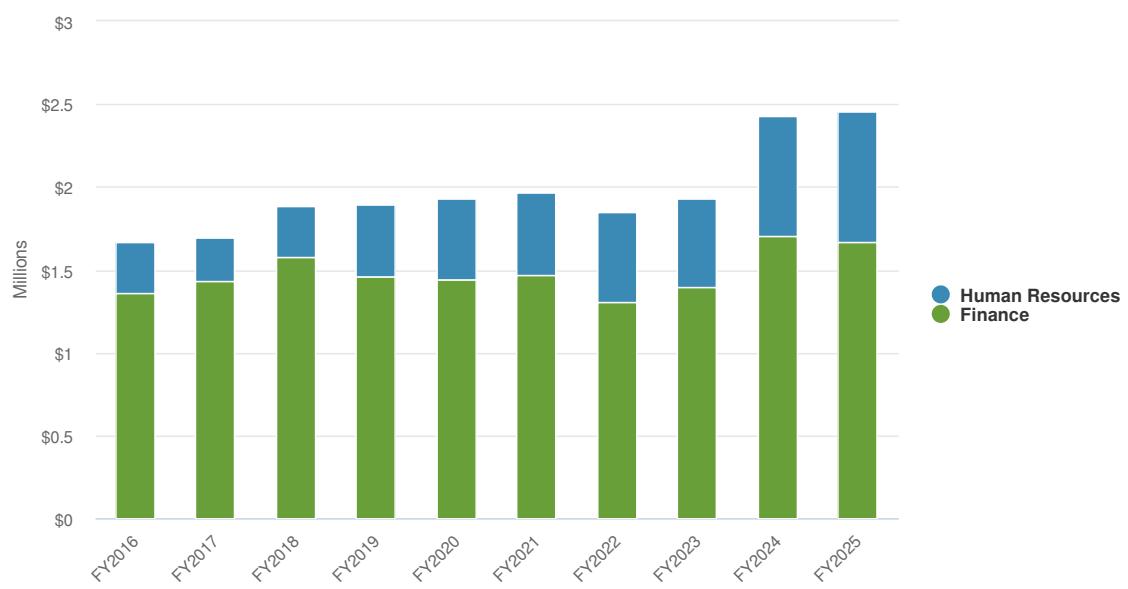


Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function



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.

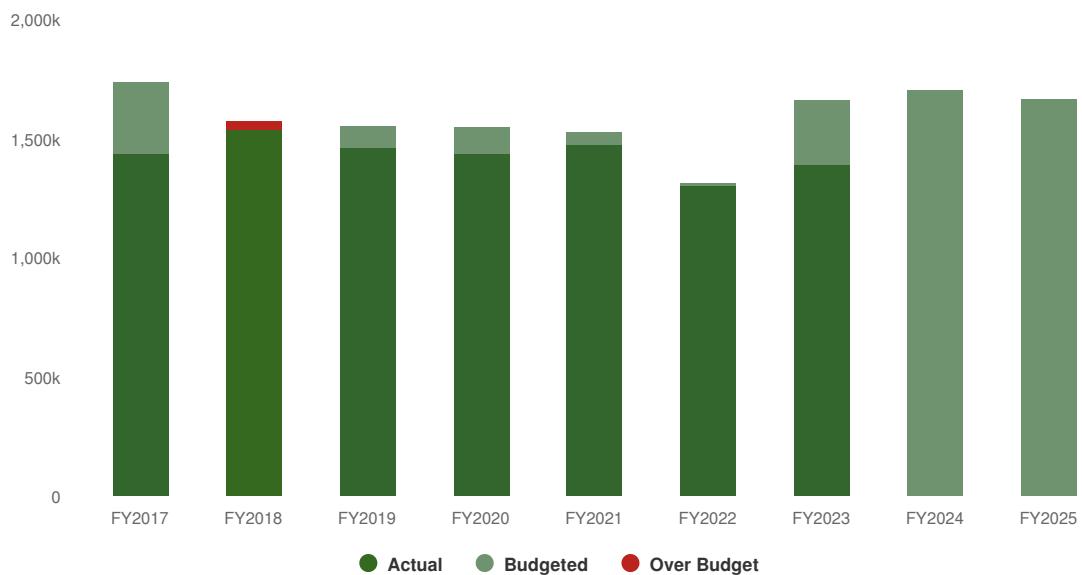
The Finance Division administers the financial and treasury affairs of the City of Lake Elsinore. It serves as an indispensable partner on topics requiring economic, financial and fiduciary inputs and expertise. As such, the division provides the City's departments and residents with dependable and efficient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

Expenditures Summary

\$1,666,310 **-\$40,120**

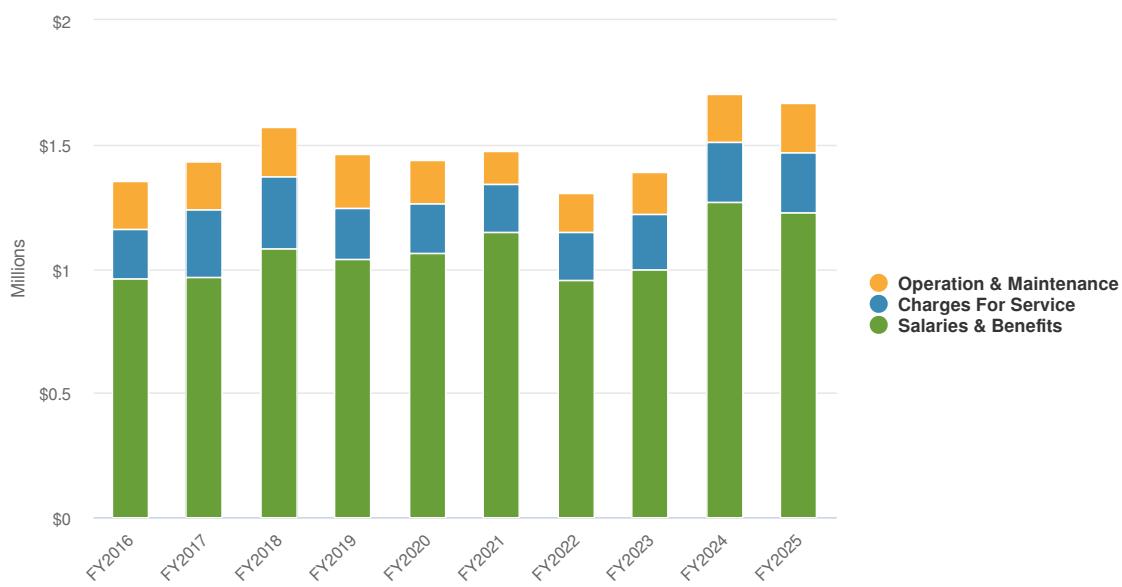
(-2.35% vs. prior year)

Finance Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$954,388.88	\$999,076.60	\$1,268,260.00	\$1,229,420.00
Operation & Maintenance	\$155,574.16	\$173,504.90	\$194,010.00	\$195,650.00
Charges For Service	\$195,028.00	\$218,895.00	\$245,330.00	\$241,240.00
Total Expense Objects:	\$1,304,991.04	\$1,391,476.50	\$1,707,600.00	\$1,666,310.00



Personnel Allocation

	AUTHORIZED FY23-24	CHANGES	AUTHORIZED FY24-25
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 (1 Unfunded)	2.00	-	2.00
Total	9.66	-	9.66

FY 2023 - 24 Accomplishments

- Completed the Annual Comprehensive Financial Statements (ACFR) for June 30, 2023, by January 30, 2024
- Received the Governmental Finance Officers Associations (GFOA) award of Excellence in reporting for the FY 2021-22 ACFR.
- Applied for the Governmental Finance Officers Associations (GFOA) award of Excellence in reporting for the FY 2022-2023 ACFR.
- Updated the Investment Policy for 2023.



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.

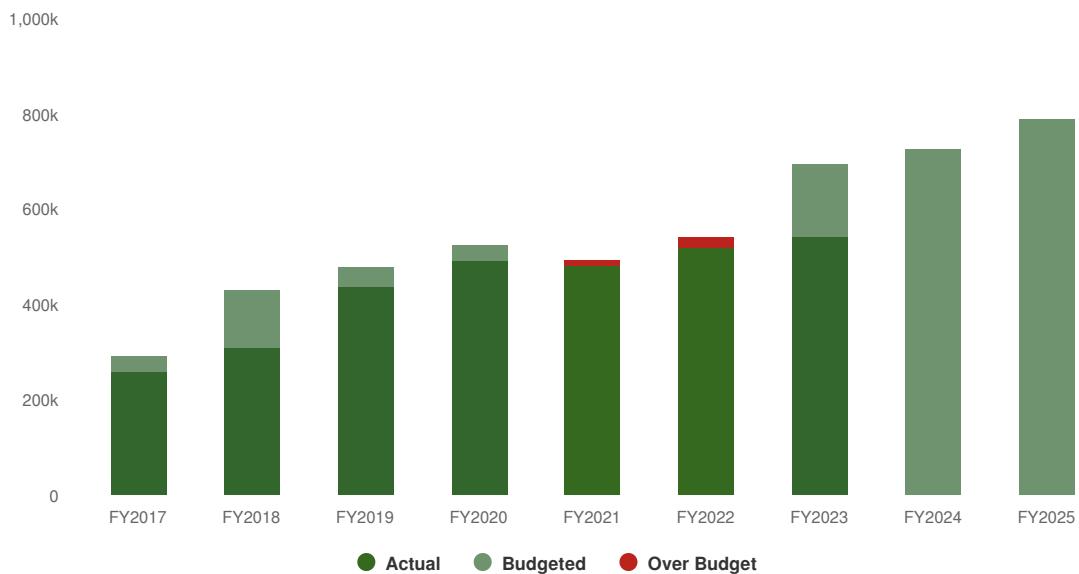
The division functions include recruitment, benefits, job descriptions, salary surveys, training, performance evaluations and labor relations. The division serves both the City's employees and prospective employees.

Expenditures Summary

\$790,530 **\$65,310**

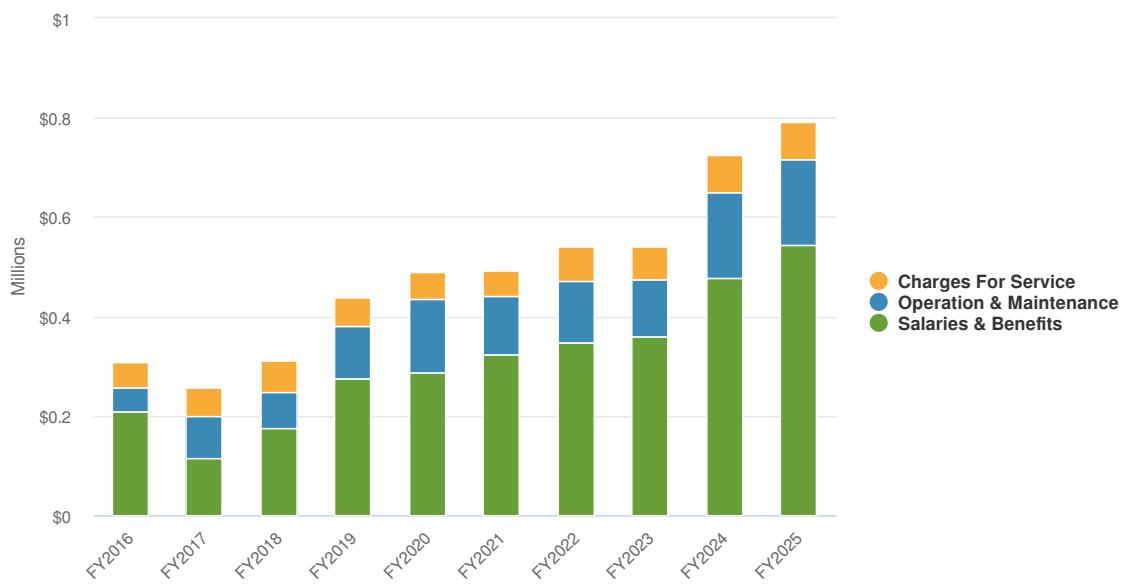
(9.01% vs. prior year)

Human Resources Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$347,011.18	\$360,774.11	\$476,440.00	\$544,040.00
Operation & Maintenance	\$124,324.51	\$113,746.06	\$172,070.00	\$171,440.00
Charges For Service	\$69,483.00	\$67,666.00	\$77,140.00	\$75,050.00
Total Expense Objects:	\$540,818.69	\$542,186.17	\$725,650.00	\$790,530.00



Personnel Allocation

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

FY 2023 - 24 Accomplishments

- o Attended 2023 JPIA Risk Conference
- o Hosted the 2023 Employee Service Award Luncheon
- o 2023 Health Open Enrollment was 100% paperless
- o Added additional safety training for staff
- o Partnered with the CHP to offer driver training
- o Created a Workplace Violence Prevention Policy
- o Trained staff on workplace violence prevention
- o Continued to hold quarterly safety meetings
- o Continued accurate payrolls
- o Hired 11 full time employees and 27 part time employees
- o Reviewed applications and interviewed applicants for new positions
- o Promoted 30 employees (full and part time)
- o Rolled out new paperless employee evaluation process through Paychex system
- o Only 3 workers comp claims
- o Partnered with Kaiser to provide medical services for staff
- o Updated holidays and work schedules in Paychex
- o Reported payroll to CalPERS every pay period
- o Completed payroll AP packets every pay period
- o Paid/reconciled benefit invoices every month
- o Assisted employees with pay and benefit questions/changes/enrollments
- o Completed APER and GCC for State Controller's Office
- o Reported quarterly State taxes through EDD
- o Planned and held numerous employee morale activities



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.



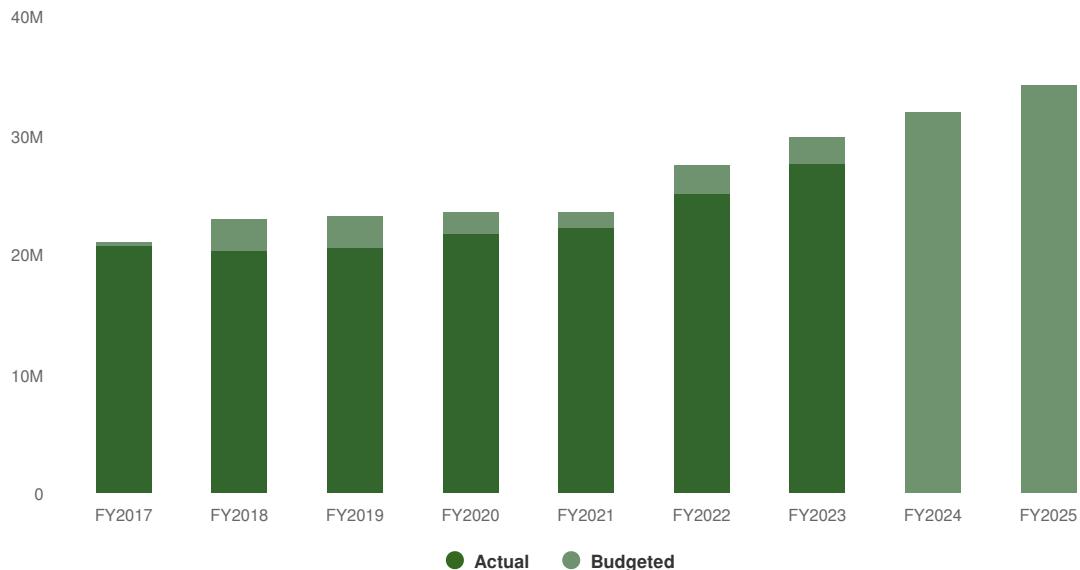
Expenditures Summary

\$34,202,880

\$2,290,430

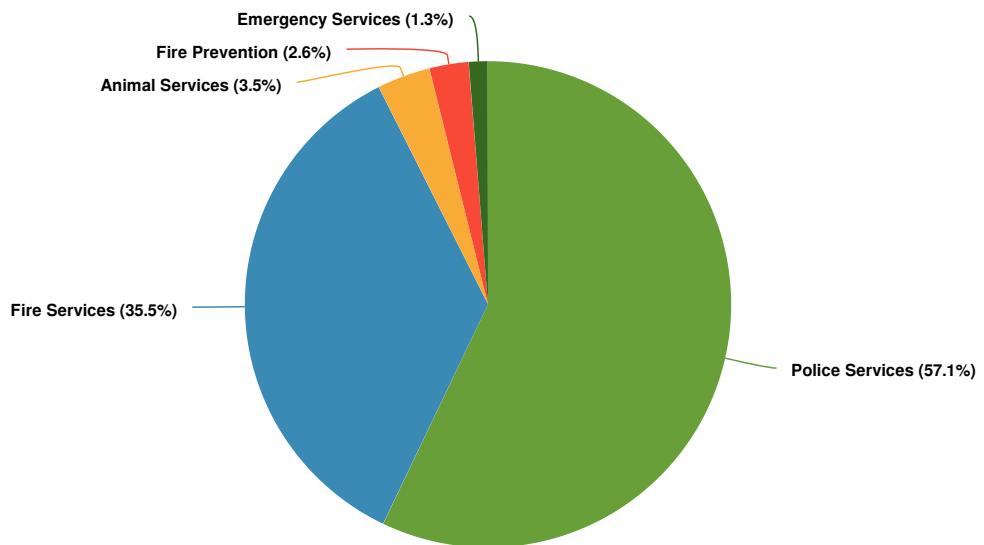
(7.18% vs. prior year)

Public Safety Proposed and Historical Budget vs. Actual

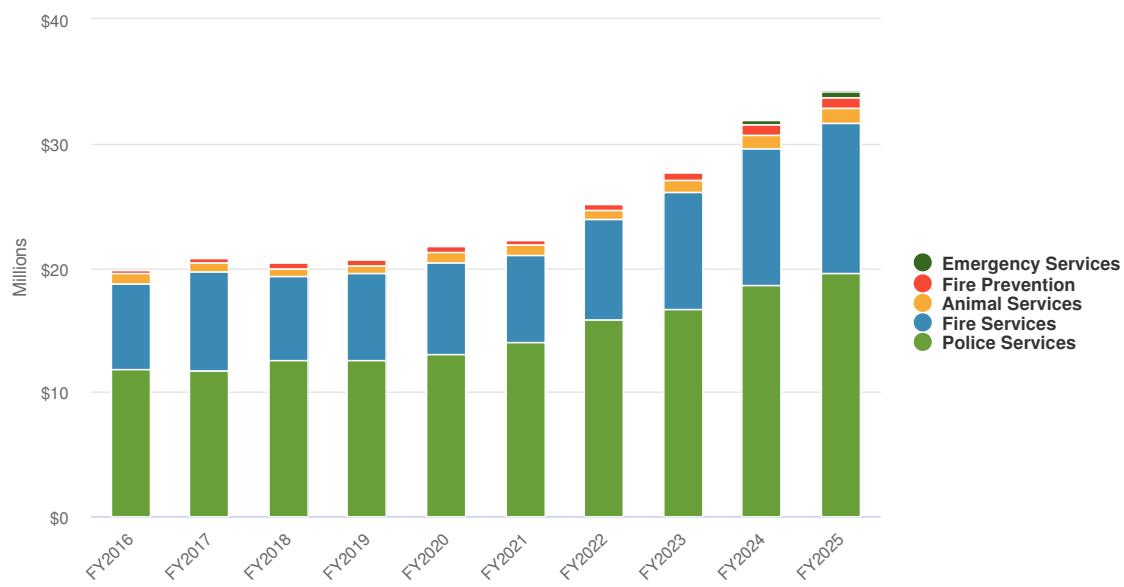


Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function

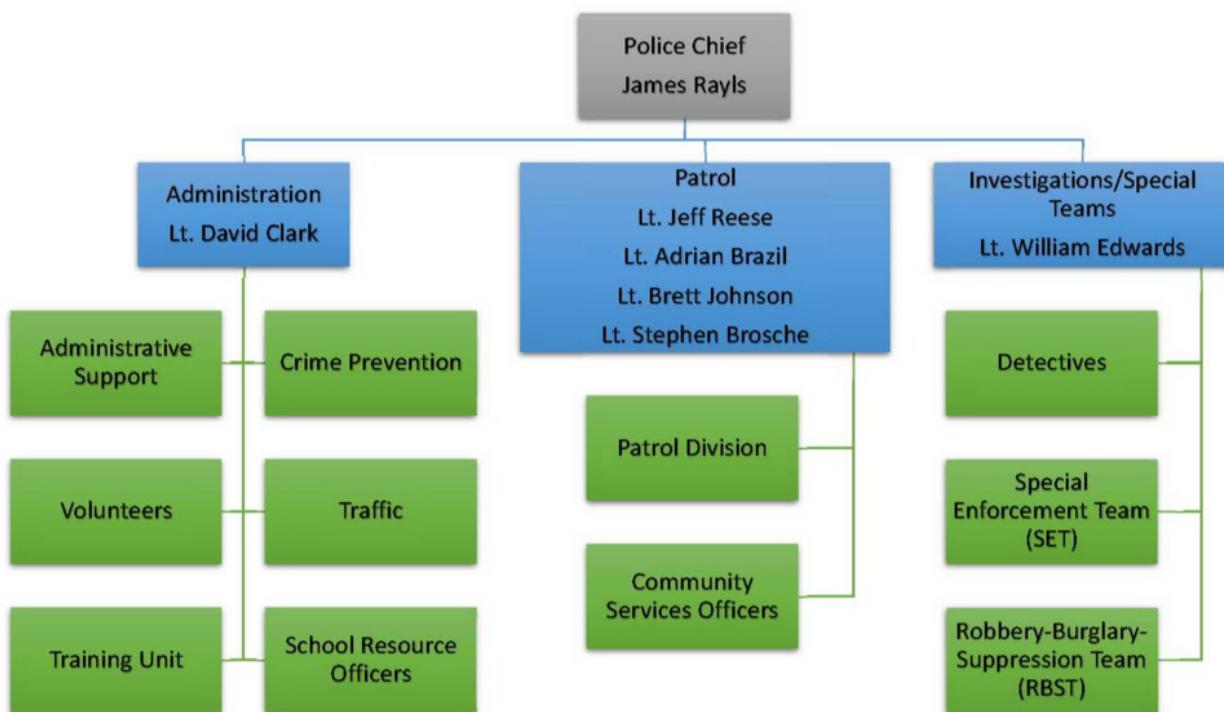


Police Services

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.

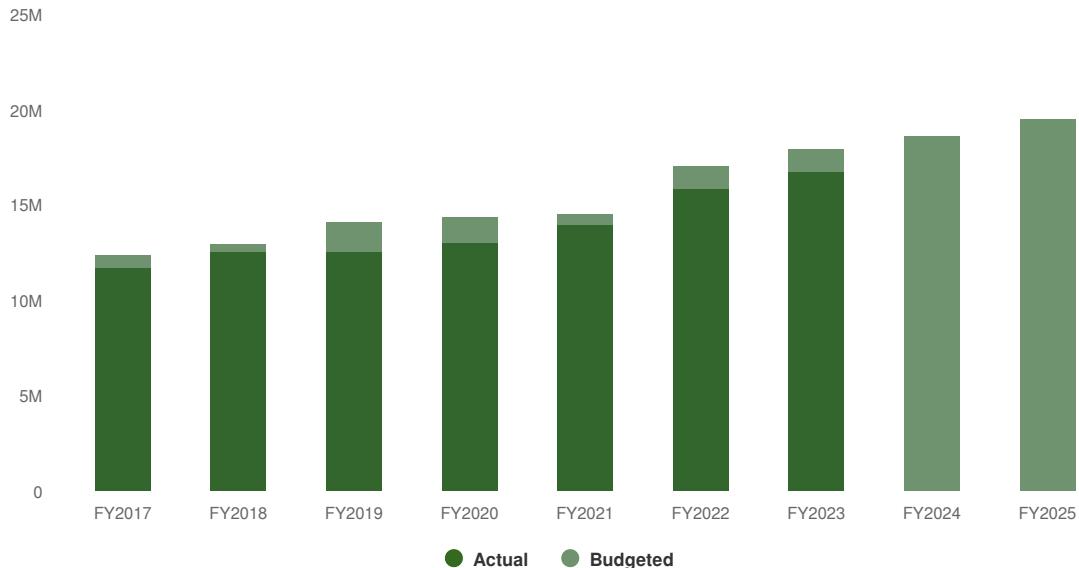
Organizational Chart



Expenditures Summary

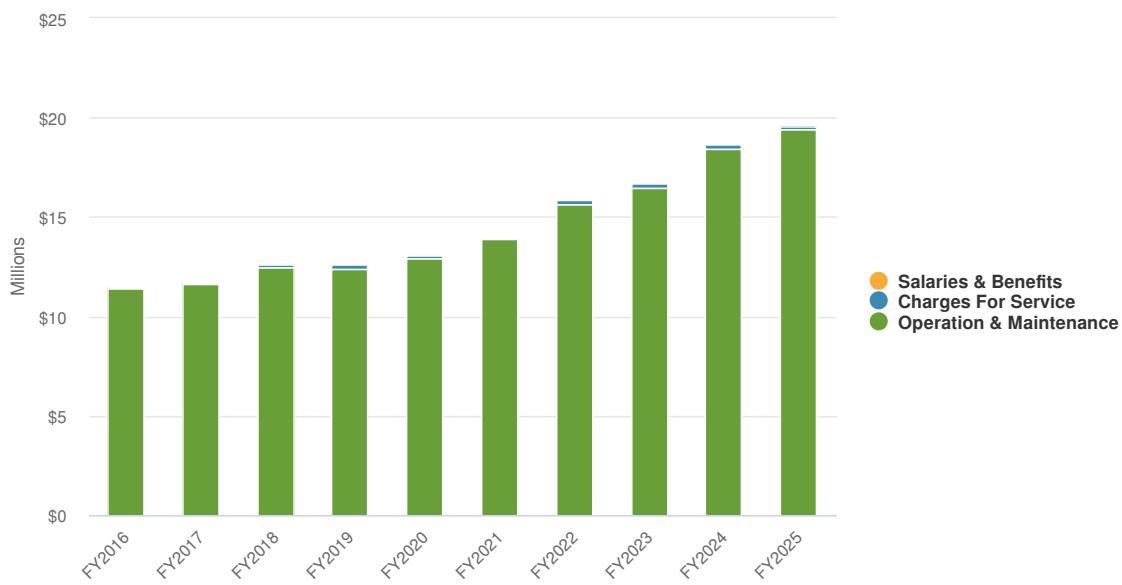
\$19,531,030 **\$878,810**
(4.71% vs. prior year)

Police Services Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$12,856.00	\$0.00	\$0.00	\$0.00
Operation & Maintenance	\$15,651,429.58	\$16,493,690.78	\$18,434,220.00	\$19,388,060.00
Charges For Service	\$212,105.00	\$234,278.00	\$218,000.00	\$142,970.00
Total Expense Objects:	\$15,876,390.58	\$16,727,968.78	\$18,652,220.00	\$19,531,030.00

FY 2023 - 24 Accomplishments

- **Enhanced Homeless Outreach Collaboration:** We deepened our partnership with Code Enforcement, SWAG, and other stakeholders focused on homeless outreach. This strategic alliance contributed to a notable reduction in homelessness across the city, demonstrating our commitment to community welfare and proactive problem-solving.
- **Burglary Suppression Team:** In response to the rising challenge of Organized Retail Theft, we launched a dedicated Burglary Suppression Team. This specialized unit has been instrumental in combating theft and ensuring the safety and security of local businesses.
- **Community Services Team:** A newly formed Community Services Team now focuses exclusively on engaging with residents and addressing quality of life concerns. This proactive approach enhances community relations and fosters a safer, more supportive environment for all.
- **Expanded the Crime-Free Multi-Housing Program:** Through revitalization efforts, our Crime-Free Multi-Housing Program has been strengthened. This initiative is crucial in promoting safe living environments and reducing crime within multifamily housing complexes.
- **Optimized Measure Z Funds for Public Safety:** Working closely with the City manager and City Council, we effectively allocated Measure Z funds to bolster public safety services. This collaboration has enabled us to enhance our operational capabilities and better serve the needs of our community.
- Worked to reduce DUI-related collisions and injuries: Made significant strides in reducing DUI-related collisions through targeted enforcement and strong community partnerships. We implemented focused strategies such as proactive patrols, and DUI checkpoints. For the fourth consecutive year, a deputy from the Lake Elsinore Station was awarded "Top Cop" from MADD for the most DUI arrest in the county of Riverside.

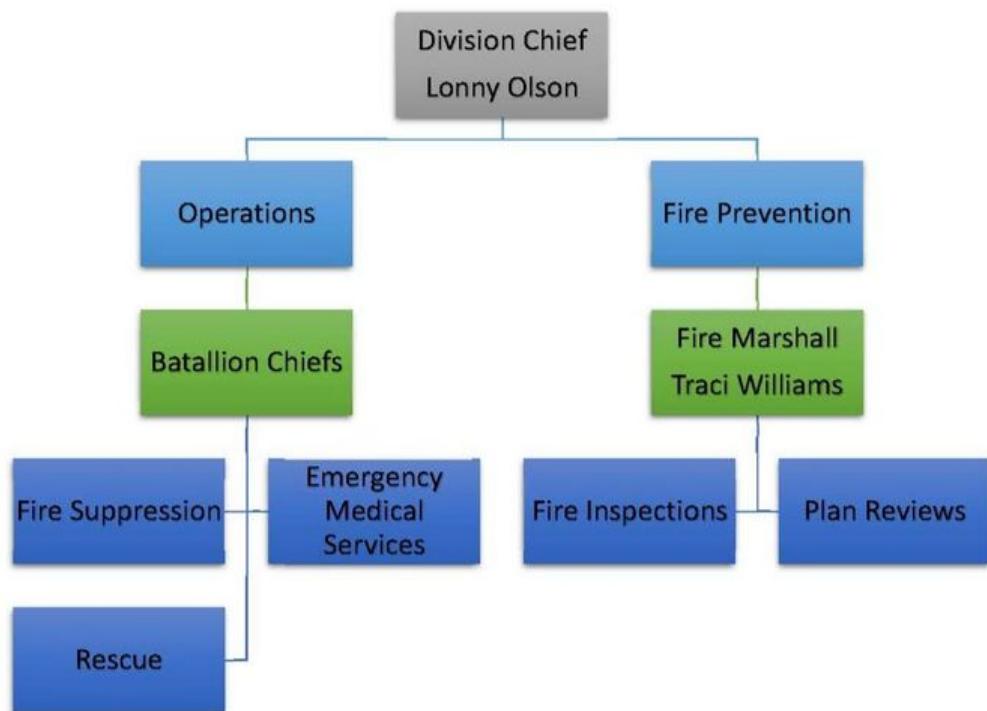


Fire Services

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

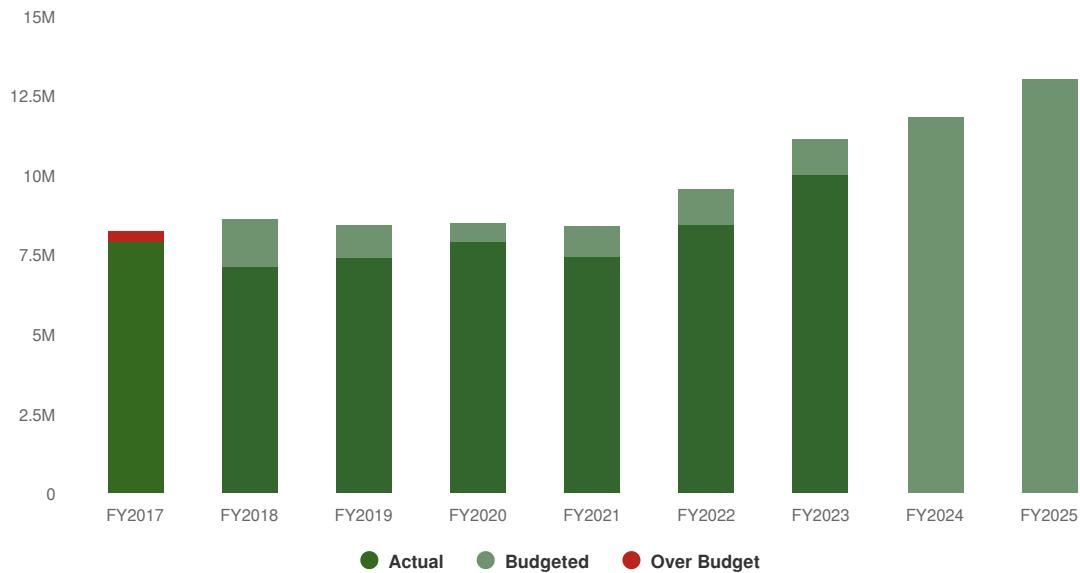


Expenditures Summary

\$13,031,350 **\$1,181,070**

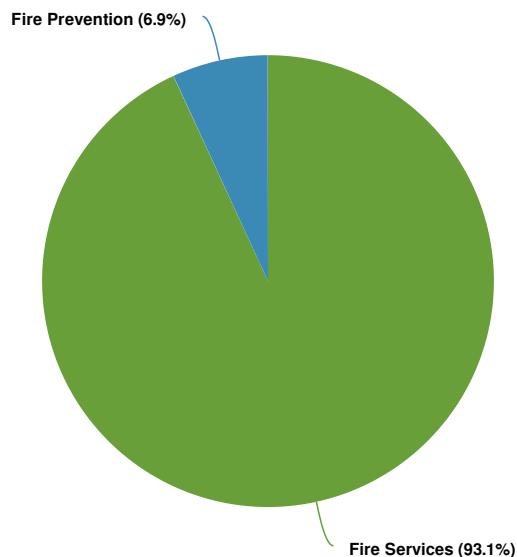
(9.97% vs. prior year)

Fire Services Proposed and Historical Budget vs. Actual

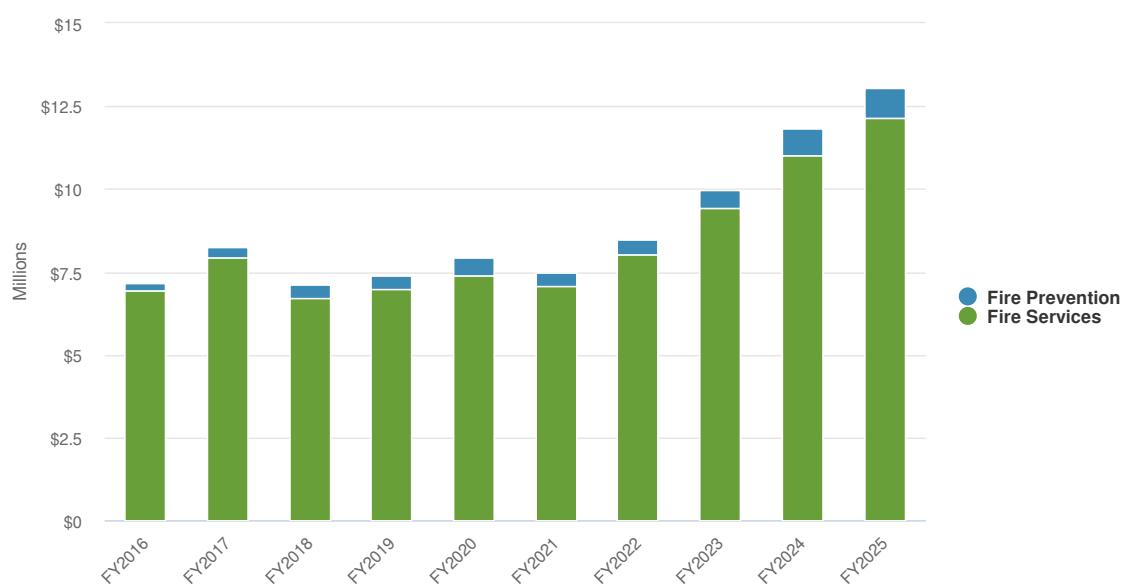


Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function

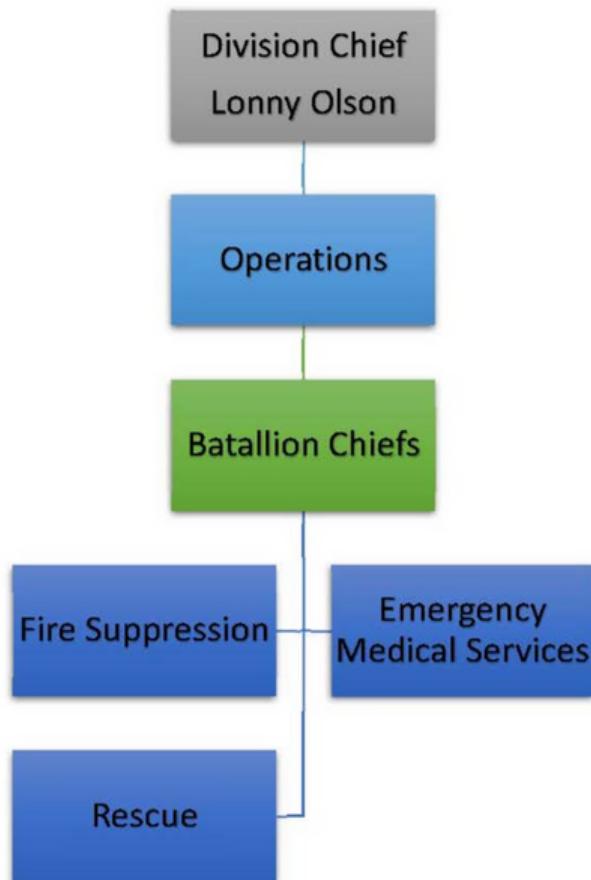


Fire Suppression

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.

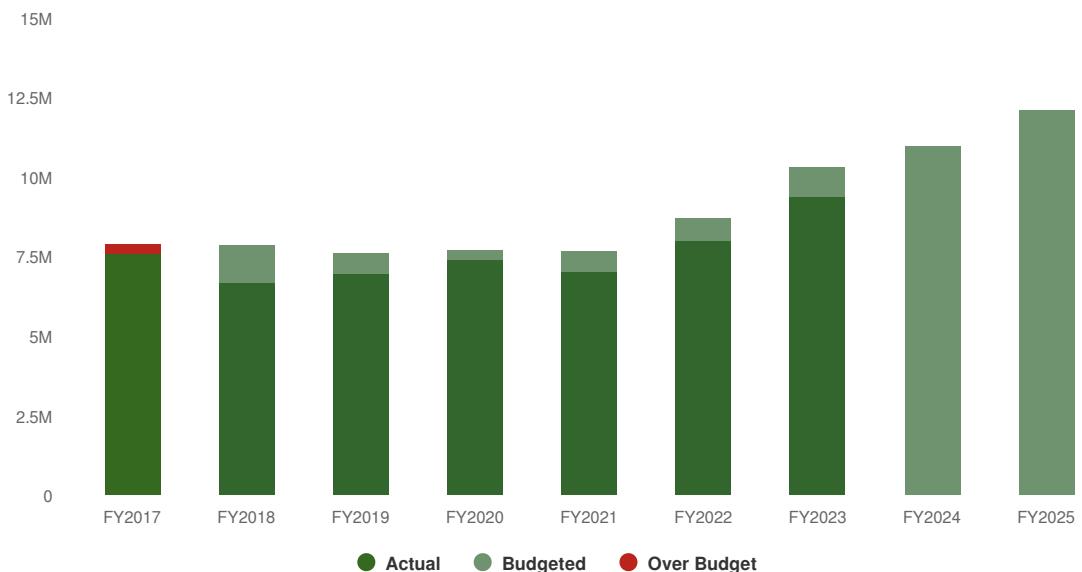
Organizational Chart



Expenditures Summary

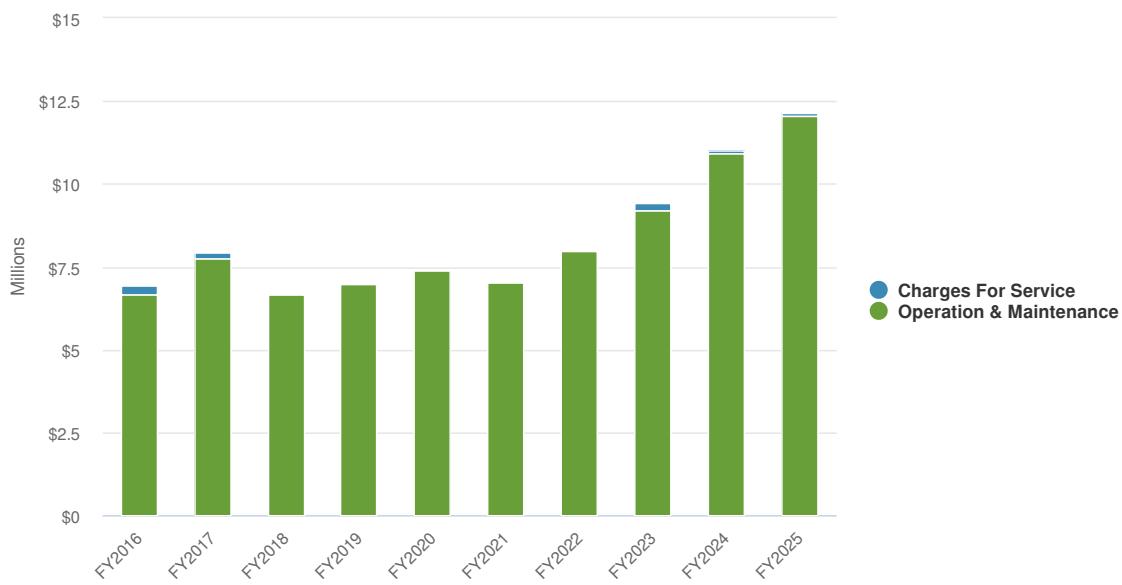
\$12,136,450 **\$1,132,200**
(10.29% vs. prior year)

Fire Suppression Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Operation & Maintenance	\$7,980,097.34	\$9,204,927.94	\$10,940,460.00	\$12,036,050.00
Charges For Service	\$35,228.00	\$204,361.00	\$63,790.00	\$100,400.00
Total Expense Objects:	\$8,015,325.34	\$9,409,288.94	\$11,004,250.00	\$12,136,450.00

FY 2023 - 24 Accomplishments

- Maintained Emergency Response Time:
 - Sustained an average emergency response time of 4.7 minutes, ensuring rapid response to the community.
- Response to Calls for Service:
 - Responded to 6,788 calls for service, focusing on customer service and public safety for a wide range of emergencies.
- Fire Explorer Recruitment:
 - Recruited 9 new Fire Explorers for the Lake Elsinore Fire Explorers Post 297, fostering the next generation of firefighters and enhancing community engagement.



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.

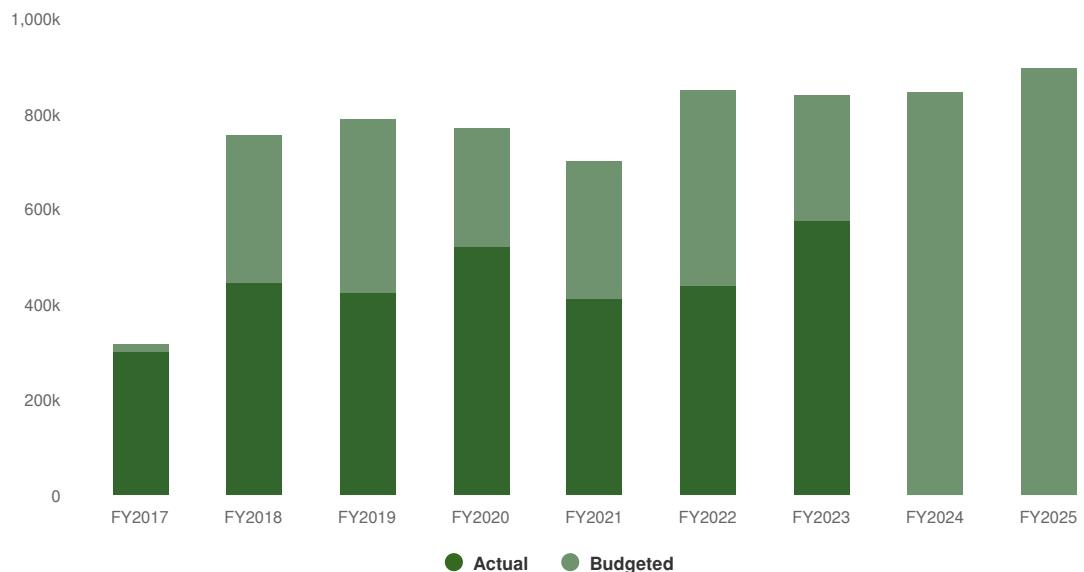
Organizational Chart



Expenditures Summary

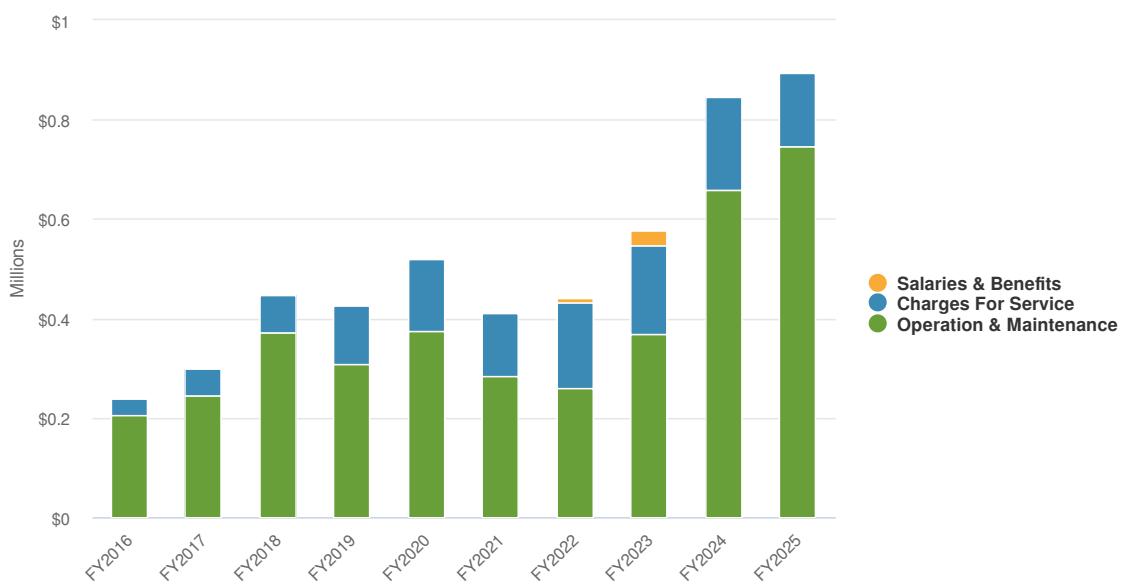
\$894,900 **\$48,870**
(5.78% vs. prior year)

Fire Prevention Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$7,620.77	\$30,112.32	\$0.00	\$0.00
Operation & Maintenance	\$258,858.89	\$367,396.42	\$658,530.00	\$744,780.00
Charges For Service	\$174,263.00	\$178,164.00	\$188,240.00	\$150,120.00
Total Expense Objects:	\$440,742.66	\$575,672.74	\$846,770.00	\$894,900.00

FY 2023 - 24 Accomplishments

- Updated the Weed Abatement policies, forms, and citations online and in our Weed Abatement accountability portal (Comcate)
- Updated all Fire Department related forms to reflect the current code cycles and posted them online for public access.
- Updated the Lake Elsinore Office of the Fire Marshal web page. Creating additional tabs for easier access to OFM information and easier ways to contact our office.
- Partnered with Community Services to create a new section within the Special Events packet, specifically addressing Fire requirements and application.
- Completed 3000+ weed abatement inspections.
- Completed 590 plan reviews and 1081 inspections



Animal Services

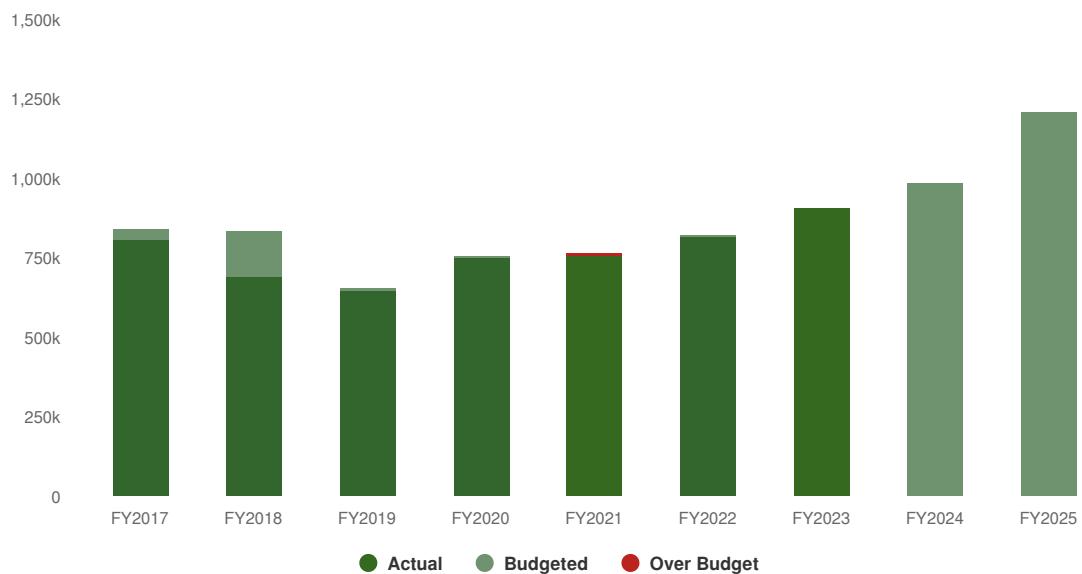
Mission

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 Summary

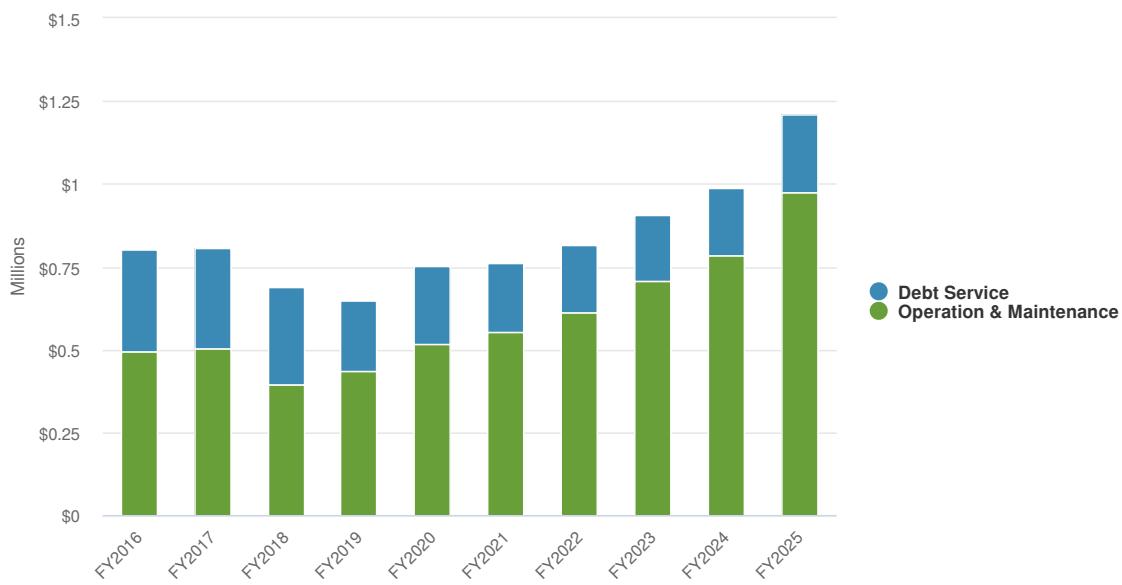
\$1,209,040 **\$221,540**
(22.43% vs. prior year)

Animal Services Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Operation & Maintenance	\$613,687.41	\$707,304.00	\$785,000.00	\$975,990.00
Debt Service	\$201,130.85	\$199,161.40	\$199,500.00	\$233,050.00
Total Expense Objects:	\$814,818.26	\$906,465.40	\$984,500.00	\$1,209,040.00

FY 2023 - 24 Accomplishments

- 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.



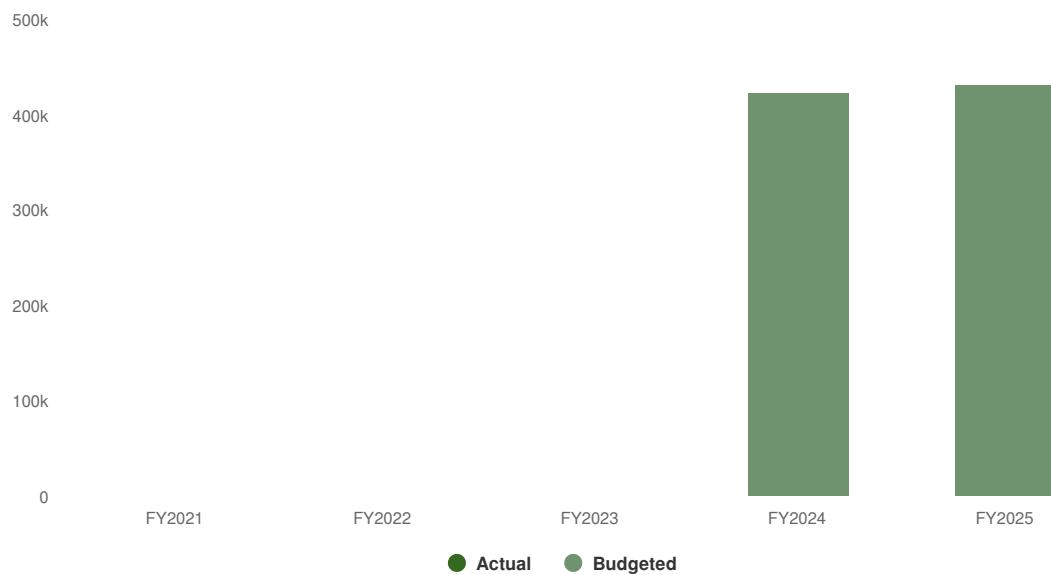
Emergency Services

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 Summary

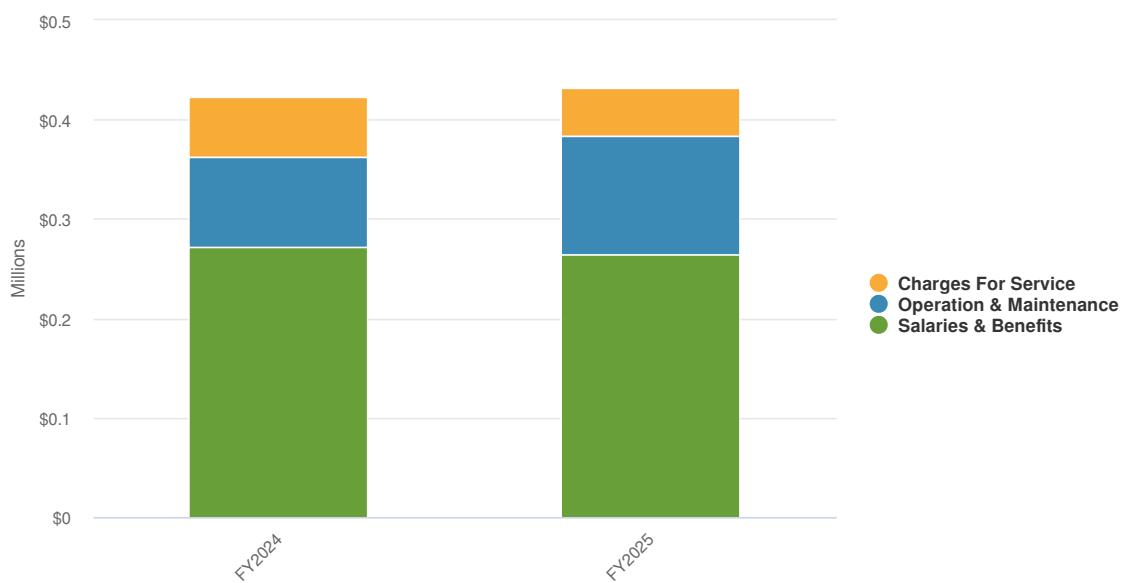
\$431,460 **\$9,010**
(2.13% vs. prior year)

Emergency Services Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$0.00	\$0.00	\$271,760.00	\$264,140.00
Operation & Maintenance	\$0.00	\$0.00	\$90,650.00	\$119,650.00
Charges For Service	\$0.00	\$0.00	\$60,220.00	\$47,670.00
Total Expense Objects:	\$0.00	\$0.00	\$422,630.00	\$431,460.00



Personnel Allocation

EMERGENCY SERVICES	AUTHORIZED	CHANGES	AUTHORIZED
	FY23-24		FY24-25
Emergency Services Manager	1.00	-	1.00
Total	1.00	-	1.00

FY 2023 - 24 Accomplishments

- Created and established three Concept of Operations (ConOps) plans for the City's annual events (Mariachi Fest, Winterfest, Live Under the Star, and 2004 4th of July Weekend Events).
- Successfully completed, submitted, and got approved the City Local Hazard Mitigation Plan to the California Office of Emergency Services (Cal-OES) and Federal Emergency Management Agency (FEMA).
- Completed Incident Command System/Standardized Emergency Management System/National Incident Management System (ICS/SEMS/NIMS) training for new city staff and refresher.
- Successfully implemented an Annual Emergency Preparedness EXPO at the Lowes Parking Lot for Emergency Preparedness Month (September).
- Completed EOC Section Training for City EOC staff.
- Successfully completed a AED program.
- Strengthened our relationship with our Local, State, and Federal partners (Neighboring Cities and Special Districts, CHP – Riverside & Temecula Station, Border Patrol – Murrieta Station, RSO – Elsinore Station & SERT), at our monthly meeting Cities & Special District Emergency Managers (CSDEM) that's been going on two years.
- Successfully completed a Social Media process for City staff.
- Developed and completed a Workplace Violence policy and yearly training for city staff.
- Facilitated a 2023 Great Shake Out (Drop, Cover, and Hold) and evacuate drill for all buildings.

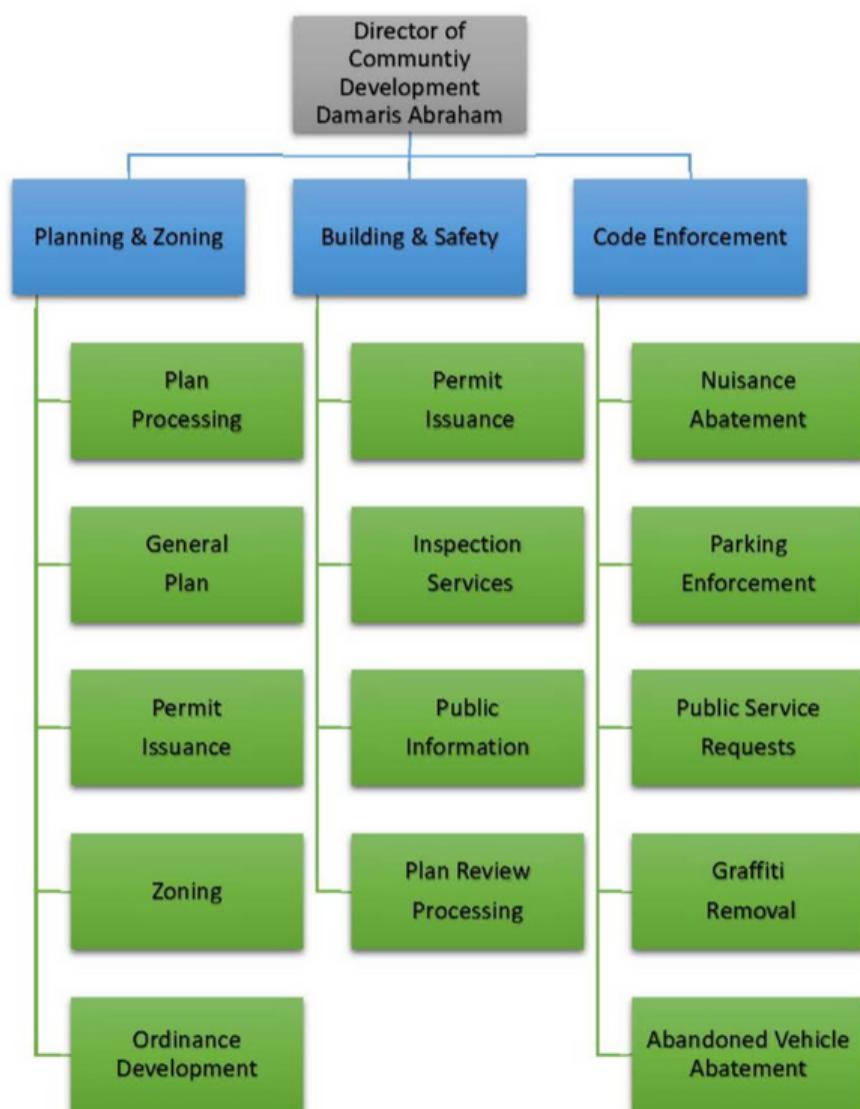


Community Development

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 consists of three divisions: Planning & Zoning, Building & Safety, and Code Enforcement.

Organizational Chart



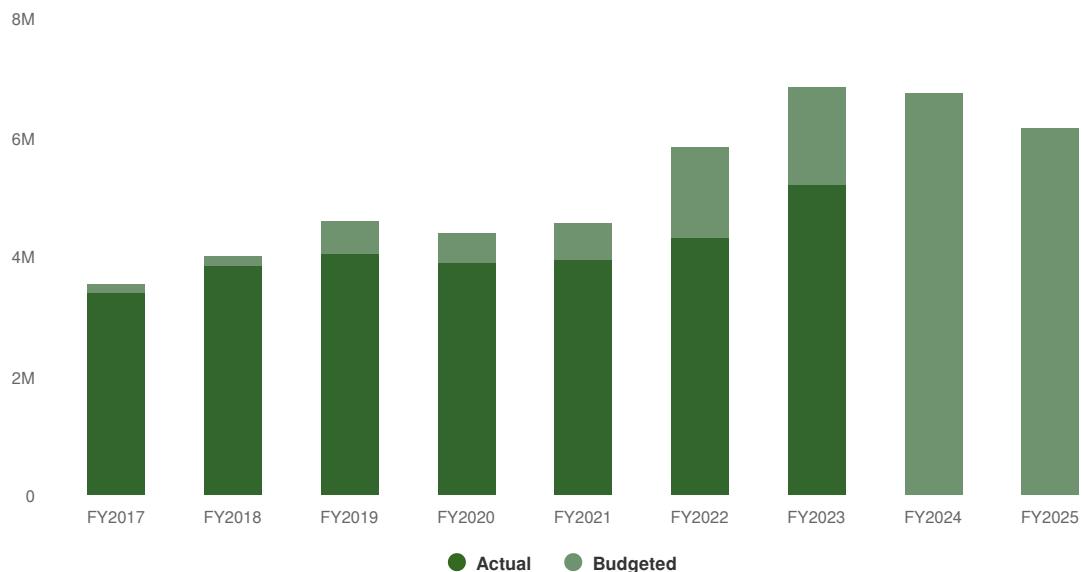
Expenditures Summary

\$6,173,860

-\$560,370

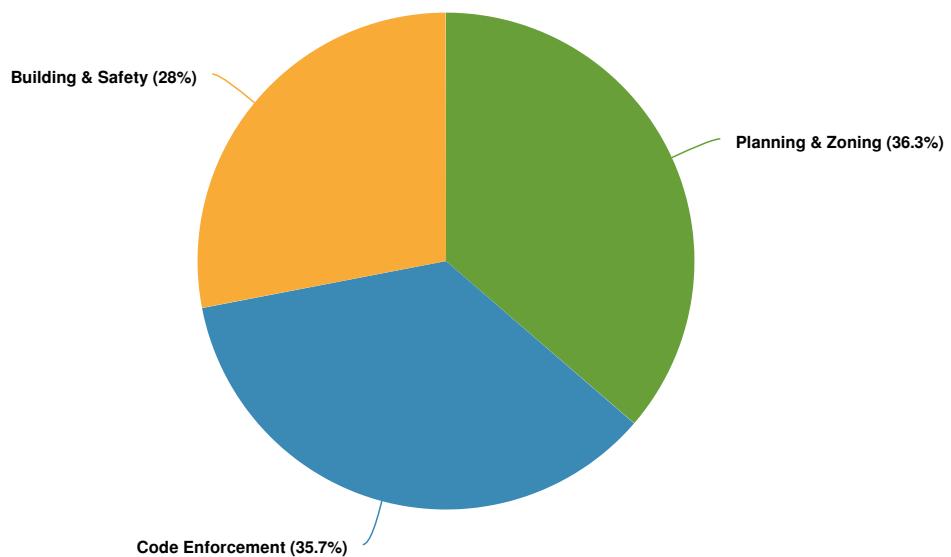
(-8.32% vs. prior year)

Community Development Proposed and Historical Budget vs. Actual

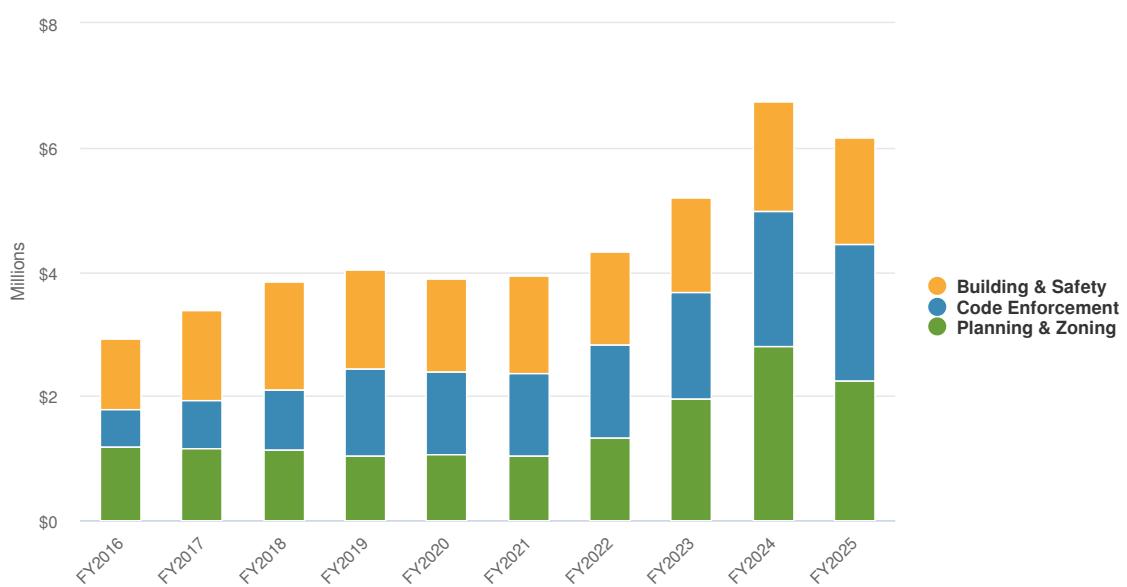


Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function



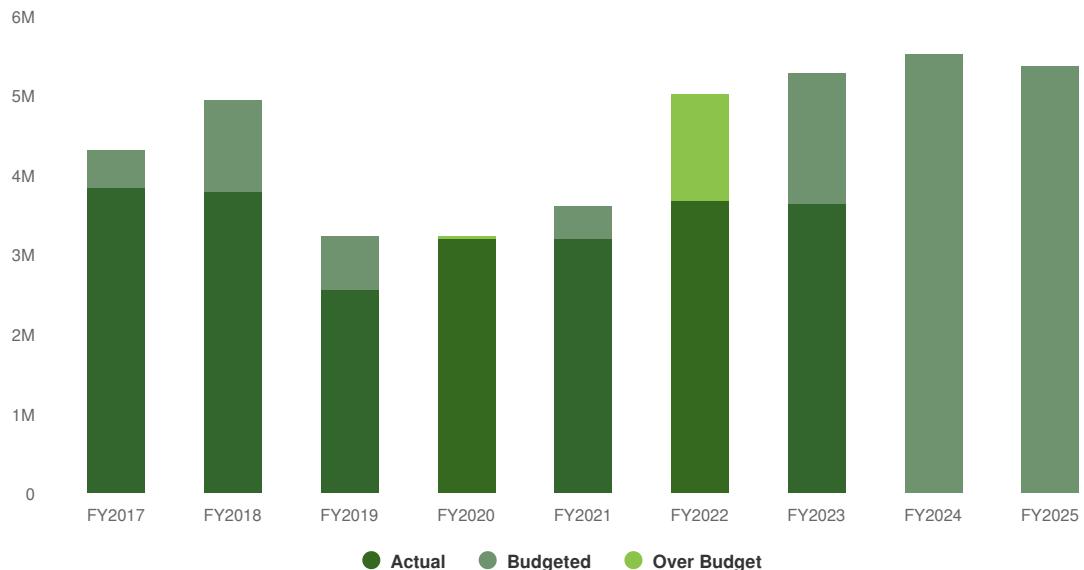
Revenues Summary

\$5,374,560

-\$150,350

(-2.72% vs. prior year)

Community Development Proposed and Historical Budget vs. Actual



Planning & Zoning

Mission

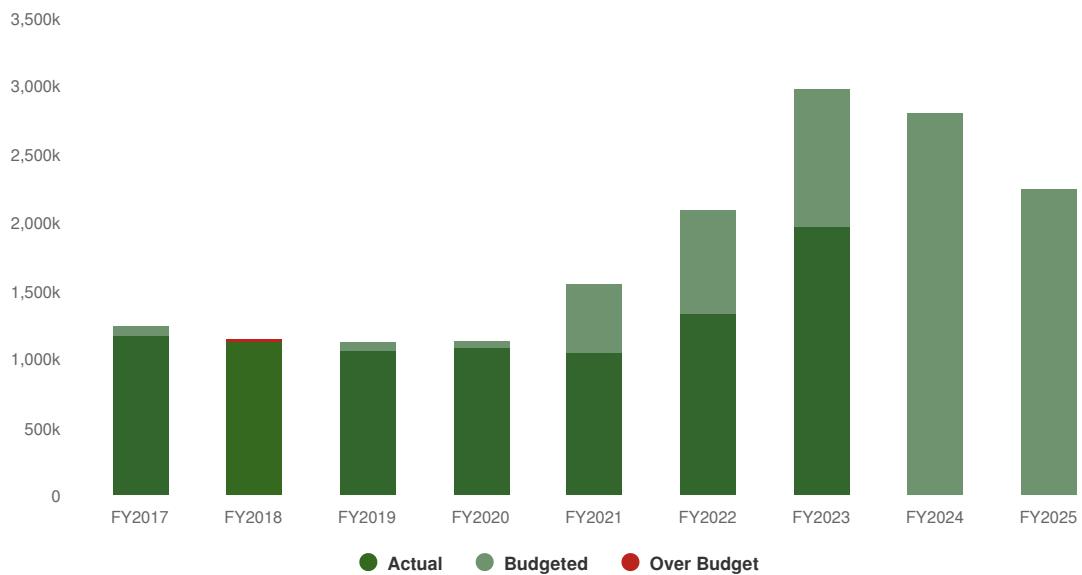
The Planning Division of the Community Development Department operates to assist citizens, businesses, and City departments in managing land to insure that land use complies with the General Plan and Zoning regulations and meets the needs of the City and its citizens. The Planning Division does this 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 Summary

\$2,242,660 **-\$568,800**

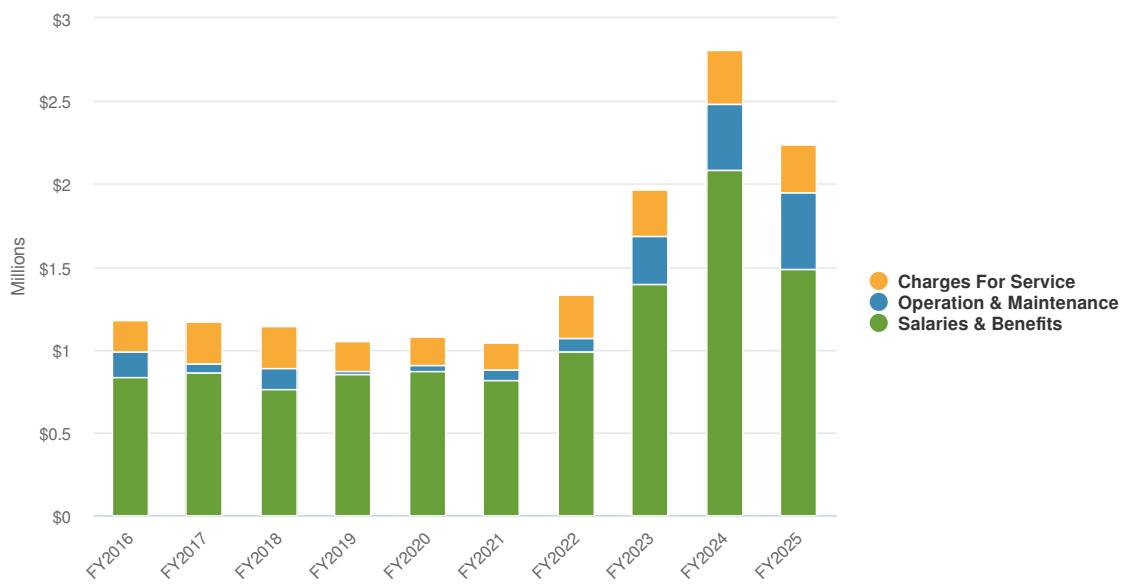
(-20.23% vs. prior year)

Planning & Zoning Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



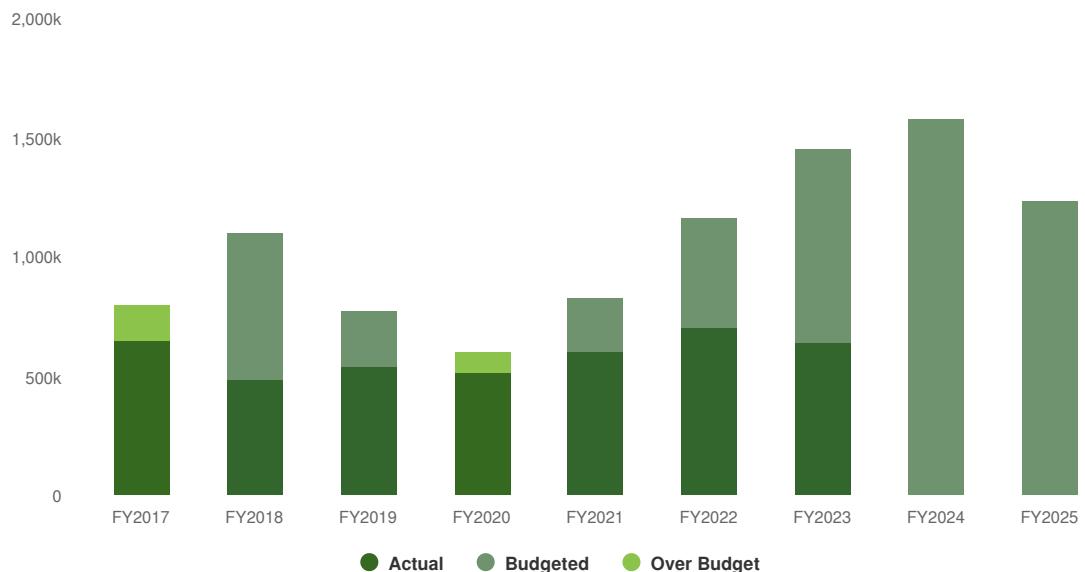
Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$991,720.91	\$1,395,168.94	\$1,988,210.00	\$1,487,600.00
Operation & Maintenance	\$76,118.72	\$293,238.05	\$391,360.00	\$457,160.00
Charges For Service	\$260,857.00	\$278,256.00	\$335,020.00	\$297,900.00
Total Expense Objects:	\$1,328,696.63	\$1,966,662.99	\$2,714,590.00	\$2,242,660.00



Revenues Summary

\$1,230,790 **-\$348,810**
(-22.08% vs. prior year)

Planning & Zoning Proposed and Historical Budget vs. Actual



Personnel Allocation

	AUTHORIZED FY23-24	CHANGES	AUTHORIZED FY24-25
Assistant City Manager	1.00	(1.00)	-
Director of Community Development	-	1.00	1.00
Assistant Community Development Director	1.00	-	1.00
Planning Manager (Unfunded)	1.00	-	1.00
Principal Planner	2.00	-	2.00
Cannabis Coordinator (Unfunded)	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	2.00	-	2.00
Administrative Assistant	1.00	-	1.00
Total	13.00	-	13.00

FY 2023 - 24 Accomplishments

- Commenced a comprehensive update of the General Plan and completed the following key sections:
 - Created a Project Logo
 - Launched a General Plan Update Web Page
 - Completed a Community Engagement Plan
 - Completed Existing Conditions Analysis
 - Completed Draft Market Analysis
 - Completed the first Phase of the Stakeholder Outreach
 - Conducted three (3) City Council Workshops
 - Completed analysis of Existing Circulation System
- Commenced the City of Lake Climate Action and Adaptation Plan
- Completed an ordinance amendment to update Density Bonus Regulations to conform to State standards and to add a new density transfer regulations to comply with SB 330
- Completed a “Good Neighbor Policy” for Warehousing, Logistics, and Distribution Uses
- Submitted Housing Element Annual Report
- Submitted Water Efficient Landscaping Annual Report
- Prepared and posted RFP for Historical Survey
- Completed processing key development projects including: Evergreen Development Project, Dutch Bros Coffee, Jack in the Box & Human Bean (El Toro), Alberhill Ranch (Pulte Homes) Residential, Lakeshore Drive Condos, Mission Trail at Lemon, Lake Pointe Apartments, PDG Lake Elsinore (In-N-Out), and Inland Boat Center
- Minor Applications Processed:
 - Zoning Compliance Plan Checks (Single-Family & ADUs): 48
 - Sign Permits: 30
 - Temporary Use Permits: 13
 - Landscape Plan Check: 22
- Preliminary Applications Completed: 16



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 Summary

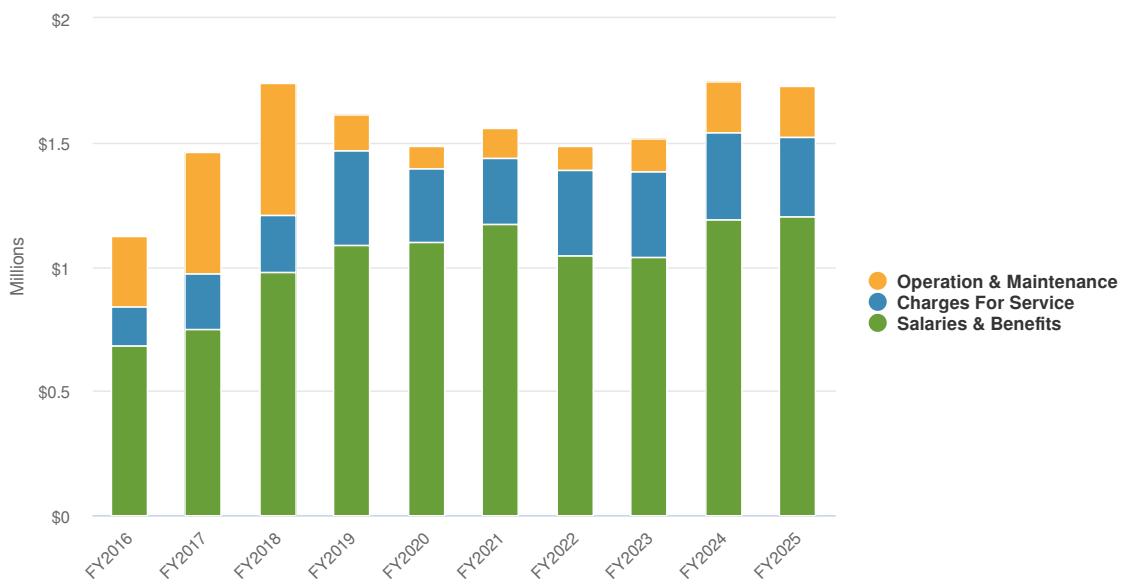
\$1,729,510 **-\$16,850**
(-0.96% vs. prior year)

Building & Safety Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$1,044,137.75	\$1,040,969.82	\$1,189,920.00	\$1,202,810.00
Operation & Maintenance	\$96,700.40	\$133,744.86	\$203,850.00	\$203,850.00
Charges For Service	\$345,918.00	\$343,113.00	\$353,880.00	\$322,850.00
Total Expense Objects:	\$1,486,756.15	\$1,517,827.68	\$1,747,650.00	\$1,729,510.00

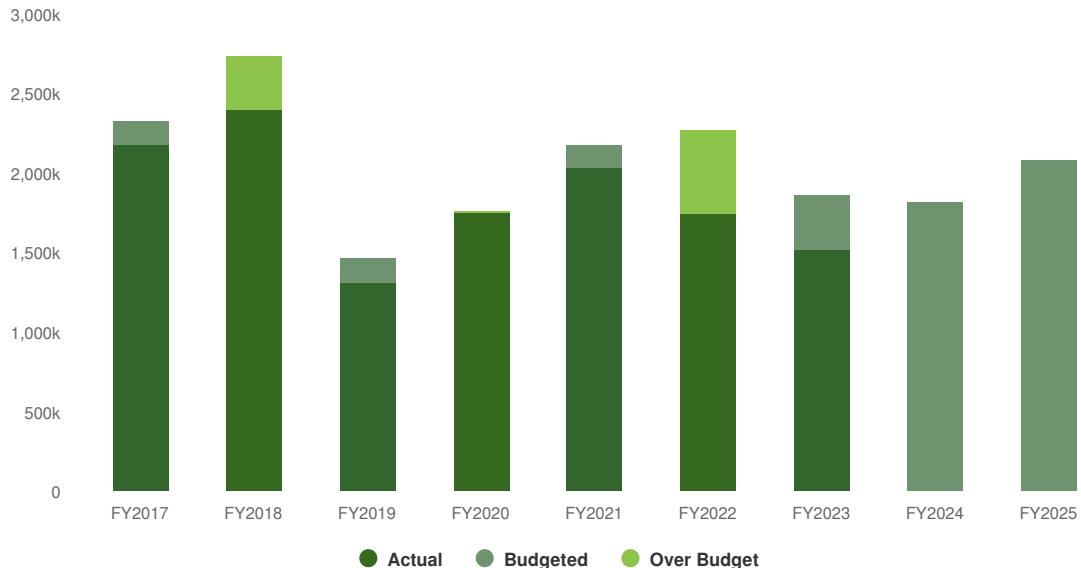


Revenues Summary

\$2,081,400 **\$260,970**

(14.34% vs. prior year)

Building & Safety Proposed and Historical Budget vs. Actual



Personnel Allocation

	AUTHORIZED FY23-24	CHANGES	AUTHORIZED FY24-25
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	7.00	-	7.00

FY 2023 - 24 Accomplishments

- Completed list for Laser Fiche scanning of plans and permits
- Trained and updated staff with new code requirements
- Plan check and permits done electronically on the online portal
- 70 percent of the plan checks are done in house
- Receivership program still on going and working effectively



Code Enforcement

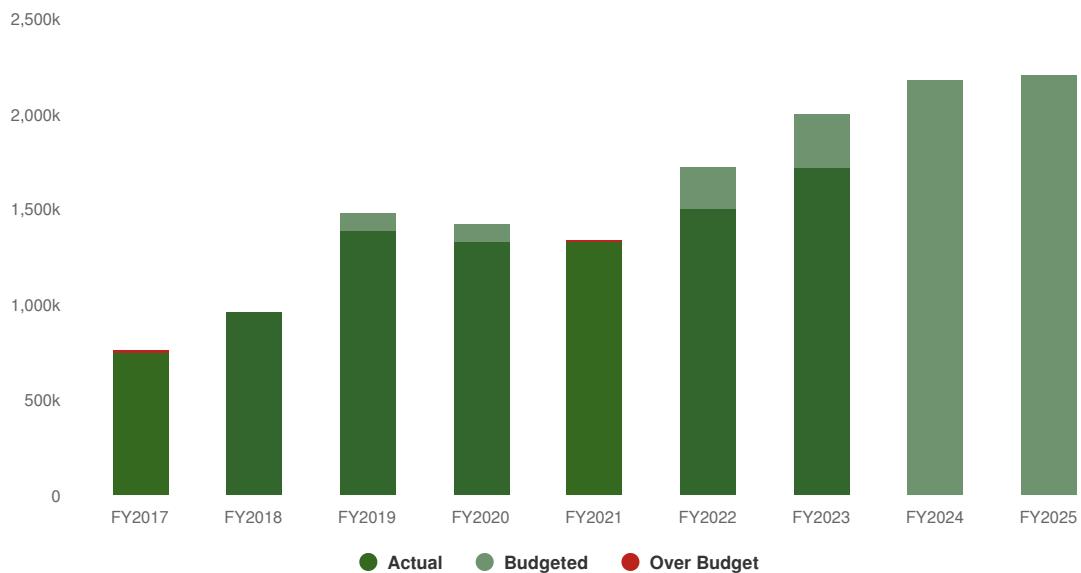
Mission

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 Summary

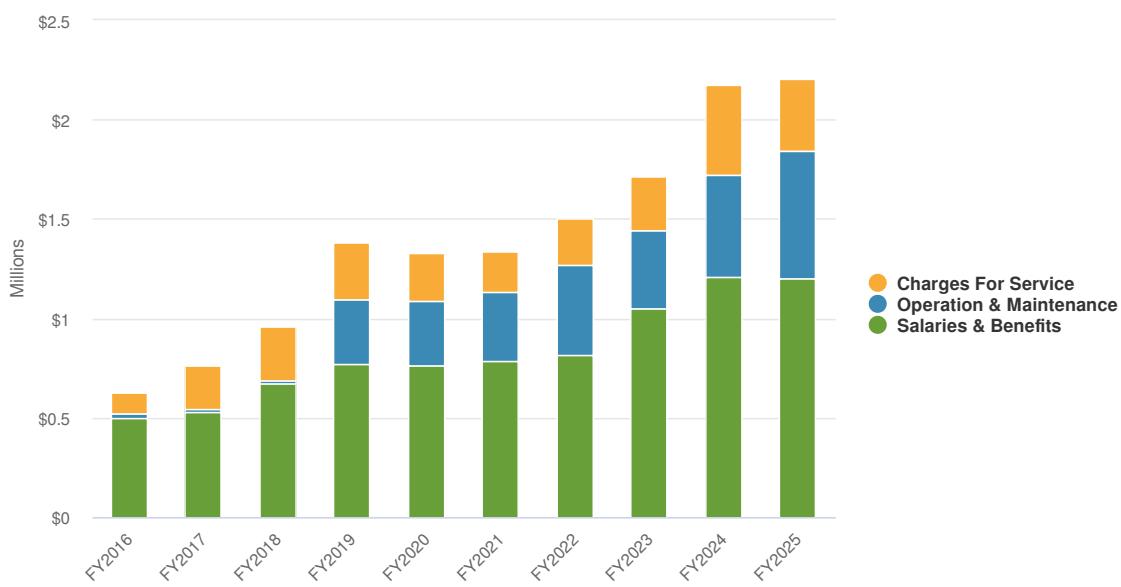
\$2,201,690 **\$25,280**
(1.16% vs. prior year)

Code Enforcement Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



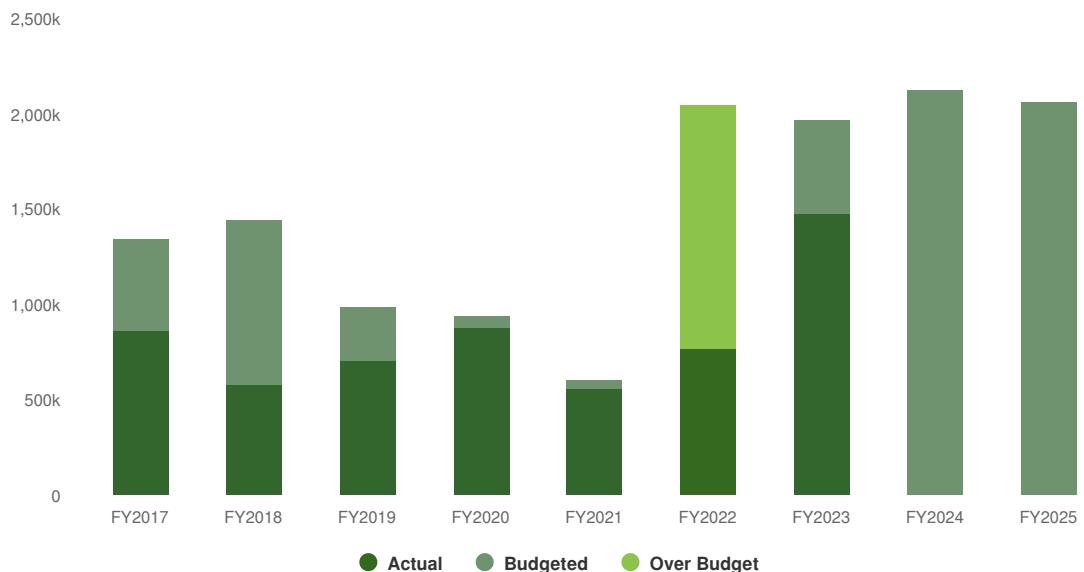
Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$816,639.11	\$1,051,108.95	\$1,258,790.00	\$1,203,530.00
Operation & Maintenance	\$452,153.63	\$388,131.54	\$516,000.00	\$639,200.00
Charges For Service	\$232,351.00	\$272,701.00	\$452,650.00	\$358,960.00
Total Expense Objects:	\$1,501,143.74	\$1,711,941.49	\$2,227,440.00	\$2,201,690.00



Revenues Summary

\$2,062,370 **-\$62,510**
(-2.94% vs. prior year)

Code Enforcement Proposed and Historical Budget vs. Actual



Personnel Allocation

	AUTHORIZED FY23-24	CHANGES	AUTHORIZED FY24-25
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	9.00	-	9.00

FY 2023 - 24 Accomplishments

- All Officers received advanced level drivers' safety awareness training through the San Bernardino County Sheriff's Department
- Worked closely with State cannabis regulatory agencies to shut down a non-compliant cannabis business
- Recovered over \$750,000 in outstanding fees from cannabis businesses
- Conducted over 80 homeless outreaches
- 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
- Demolished two substandard structures
- Successful cost recovery of over \$100,000 in nuisance abatement cases
- Utilized \$53,000 in available AVA funds to offset cost for 3 new vehicles



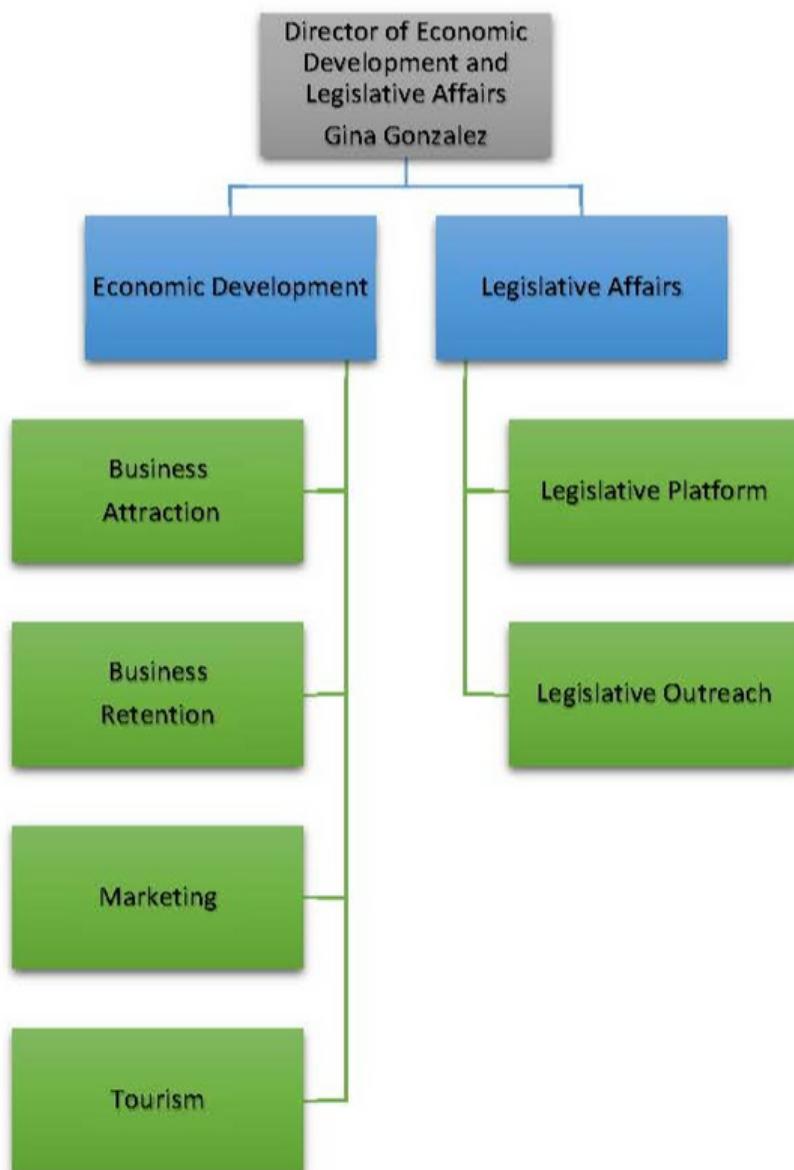
Economic Development

Mission

Economic development is about fostering economic vitality and diversification, and enriching the quality of life of its residents by recommending strategies that:

- Promote and assist in the attraction of new business, new jobs and new development opportunities
- Retain, grow and promote existing businesses while expanding economic opportunities
- Recruiting businesses in key industries
- Increase and maximize Lake Elsinore's competitiveness in the regional and global market

Organizational Chart

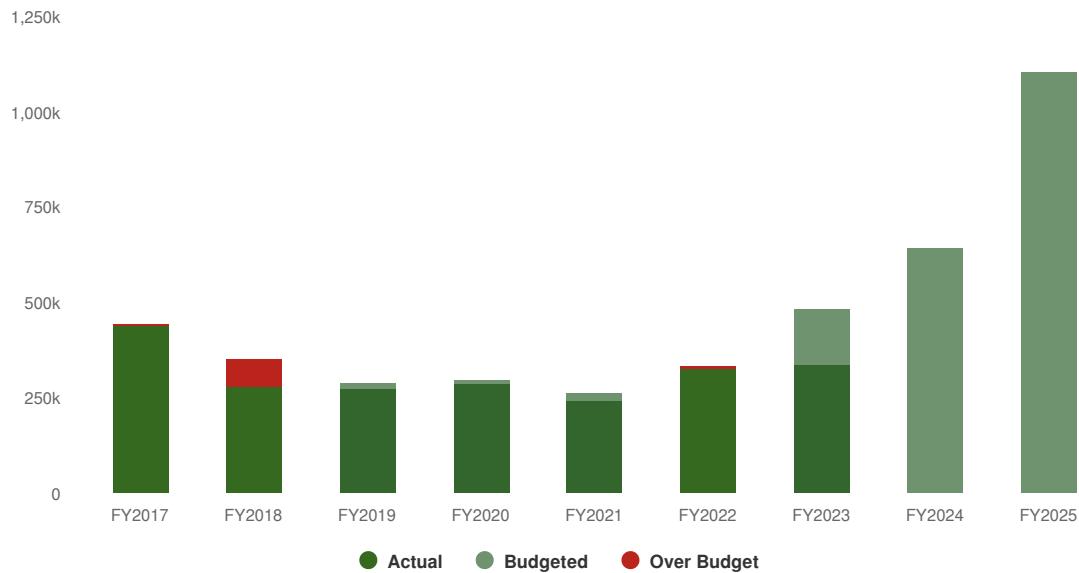


Expenditures Summary

\$1,103,010 **\$458,840**

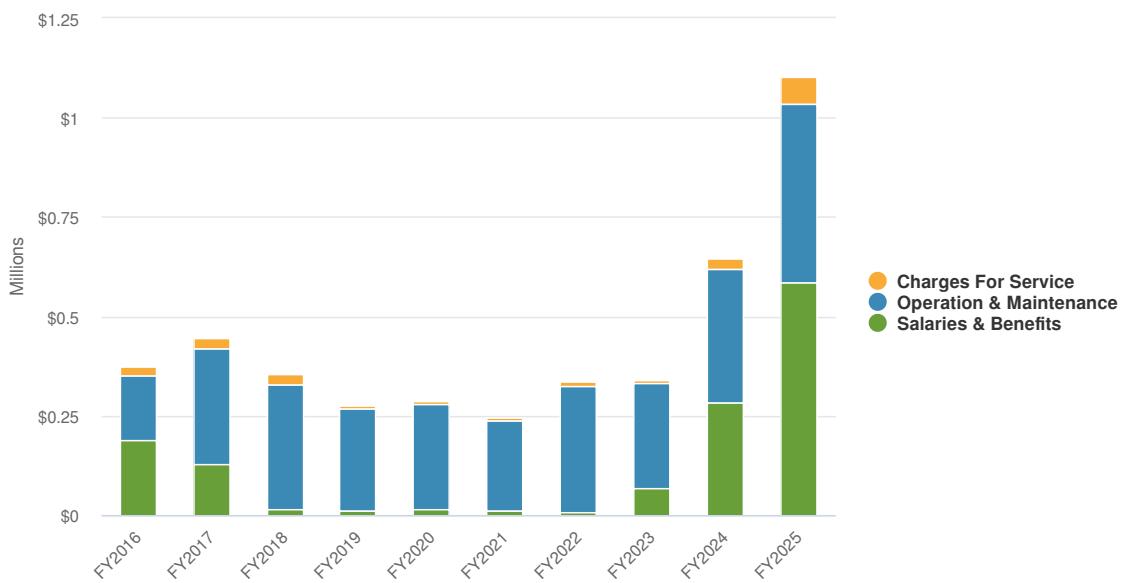
(71.23% vs. prior year)

Economic Development Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$8,521.66	\$66,826.62	\$282,050.00	\$584,720.00
Operation & Maintenance	\$317,326.36	\$265,814.88	\$338,330.00	\$449,950.00
Charges For Service	\$8,678.00	\$7,179.00	\$24,160.00	\$68,340.00
Total Expense Objects:	\$334,526.02	\$339,820.50	\$644,540.00	\$1,103,010.00



Personnel Allocation

	AUTHORIZED FY23-24	CHANGES	AUTHORIZED FY24-25
Director of Economic & Legislative Affairs	1.00	-	1.00
Economic Development Manager	1.00	-	1.00
Management Analyst (Unfunded)	1.00	-	1.00
Total	3.00	-	3.00

FY 2023 - 24 Accomplishments

o **Commercial**

- Evergreen Development broke ground (New Commercial Center)
- Hotel submitted
- Cordyn Hill Construction
- Fairway Business Park Phase II
- Rome Hill Submitted

o **Marketing**

- Conducted 5 new studies for attraction to the City of Lake Elsinore
- Kicked off website overhaul for Econdev
- Completed industry marketing materials

o **Business In-Fill**

- Rendez-vous Café
- EOS Fitness
- Inland Boats



Public Services

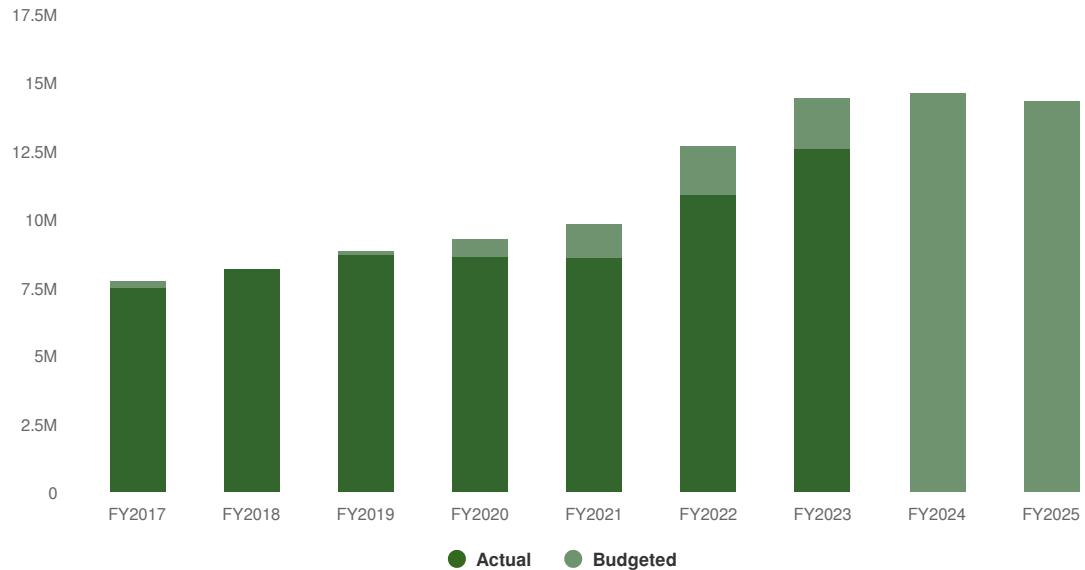
Public Services are comprised of Engineering, Public Works - Administration, Park Maintenance, and Lake Maintenance.

Expenditures Summary

\$14,335,720 **-\$305,380**

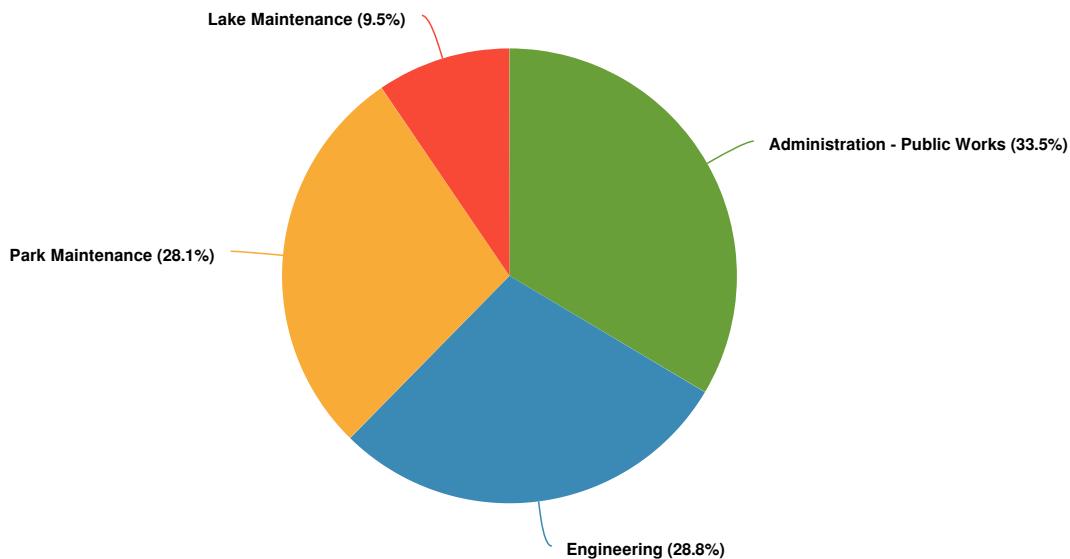
(-2.09% vs. prior year)

Public Services Proposed and Historical Budget vs. Actual

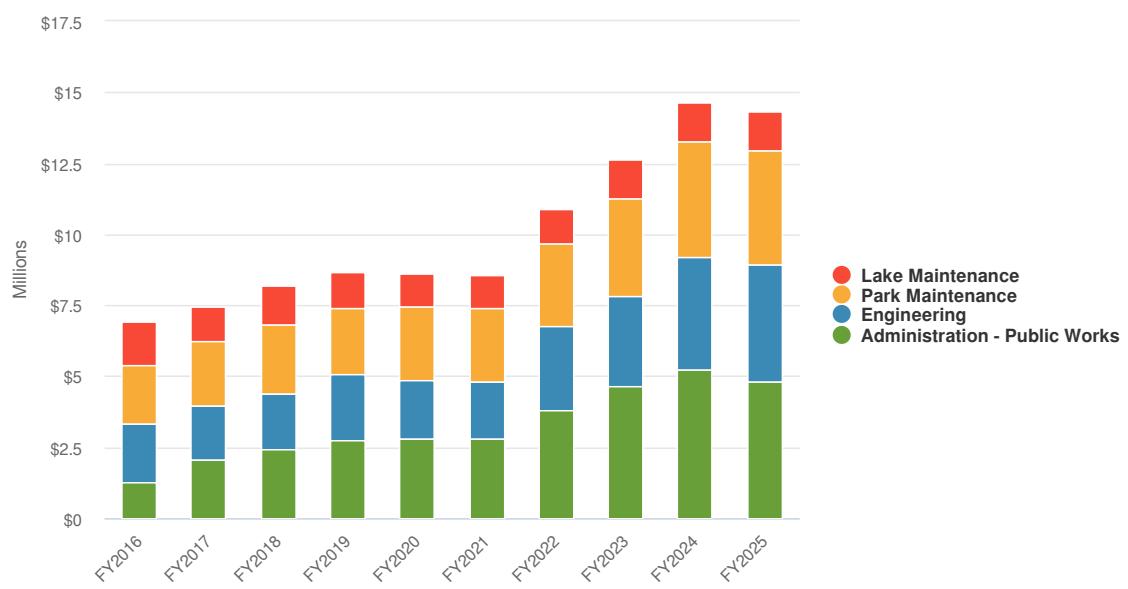


Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function

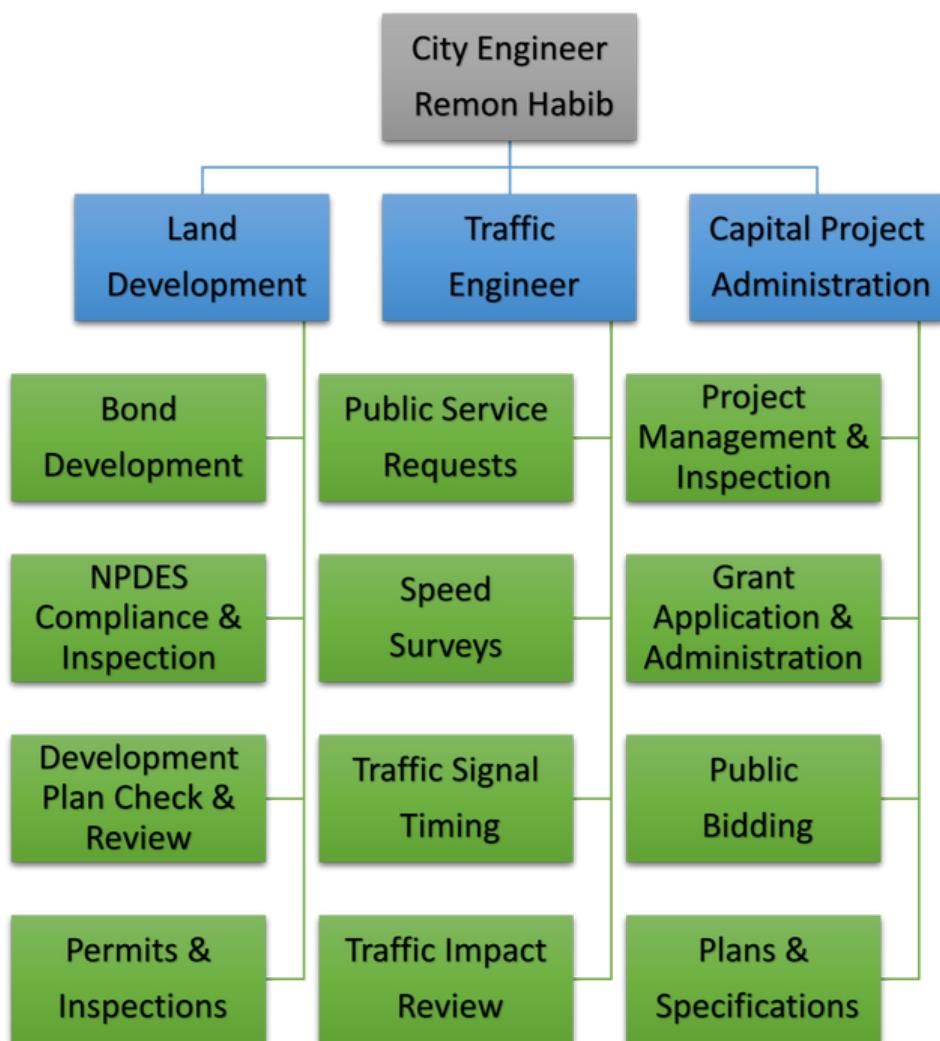


Engineering

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.

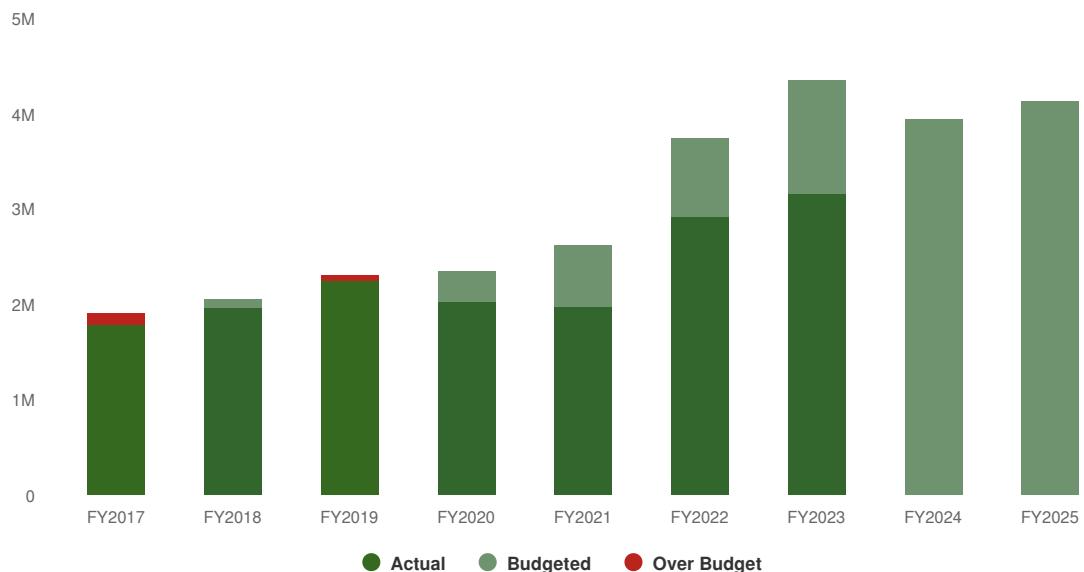
Organizational Chart



Expenditures Summary

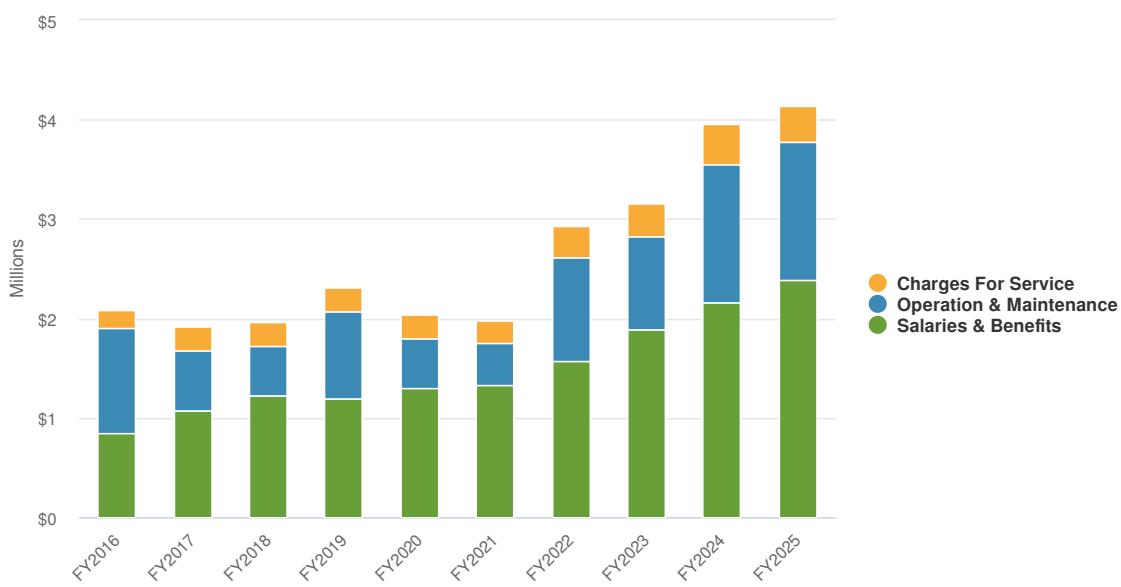
\$4,133,950 **\$183,530**
(4.65% vs. prior year)

Engineering Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



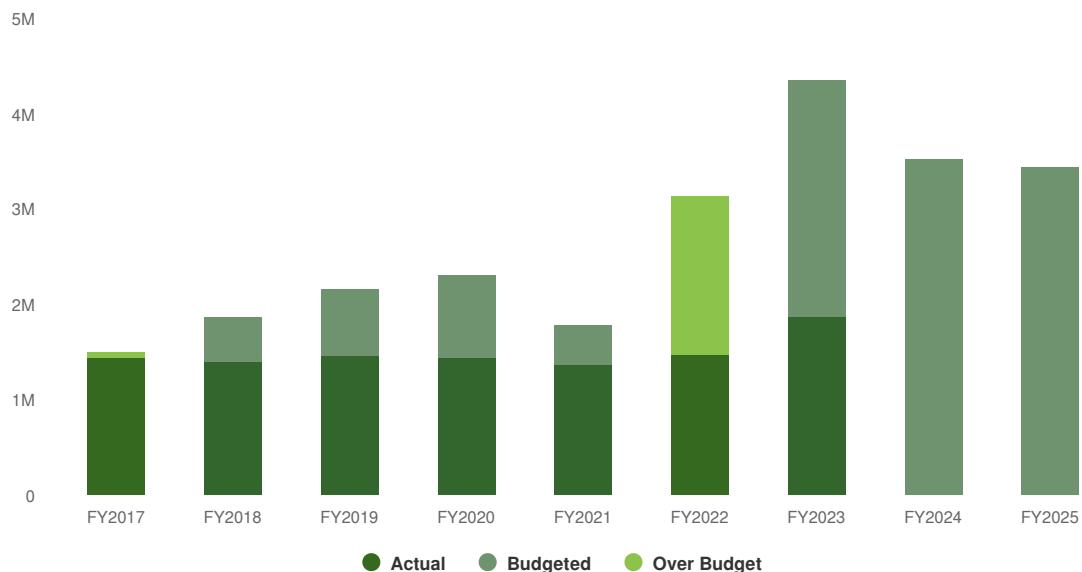
Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$1,572,513.36	\$1,882,590.93	\$2,162,160.00	\$2,386,870.00
Operation & Maintenance	\$1,035,859.71	\$937,429.79	\$1,394,790.00	\$1,382,400.00
Charges For Service	\$316,839.00	\$337,764.00	\$396,050.00	\$364,680.00
Total Expense Objects:	\$2,925,212.07	\$3,157,784.72	\$3,953,000.00	\$4,133,950.00



Revenues Summary

\$3,439,590 **-\$84,550**
(-2.40% vs. prior year)

Engineering Proposed and Historical Budget vs. Actual



Personnel Allocation

	AUTHORIZED FY23-24	CHANGES	AUTHORIZED FY24-25
City Engineer	1.00	-	1.00
City Traffic Engineer	1.00	-	1.00
Assistant City 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
Total	15.00	-	15.00

FY 2023 - 24 Accomplishments

- Final Design Phase of I-15 Franklin Street Interchange. Final Design phase is anticipated to be completed early 2027.
- Completed environmental Phase of I-15 Central Ave Interchange Improvement Project. Final Design Phase is anticipated to commence in Summer of 2024.
- I-15 Main Street Interchange Improvement Project ongoing construction – Expected completion Date is May 2024.
- Completed design phase for I-15 Main Street Interchange Art Panel Project – Construction Completion is anticipated for August 2024.
- Completed design phase for Main Street Pedestrian Safety, Pavement Rehabilitation, & IT Infrastructure Improvements Project – Project is anticipated to commence construction in the summer of 2024.
- Completed design phase for Avenues Storm Drain Master Plan Project – Project is anticipated to commence construction Summer of 2024
- SB 821 Lakeshore Drive Sidewalk Improvement Project in final design – Anticipated to commence construction in fall of 2024
- Completed the Active Transportation Connections and Green Streets Project on Spring Street
- Completed construction of Collier/Minthorn & La Laguna Local Streets Pavement Rehabilitation Project
- Completed NPDES Annual Report for 2023.
- Successfully Completed FEMA Audit for 2023.
- Completed design phase of SB-1 Mountain Tracts Pavement Rehabilitation Project – Construction is anticipated to commence in the Summer of 2024.
- Completed design phase of SB-1 Broadway Tracts Pavement Rehabilitation Project – Construction is anticipated to take place early 2025.
- Bushman Storm Drain Improvement Project in final design
- Pope Circle Drainage Improvement Project in final design – Construction is anticipated in early 2025.
- Citywide Catch Basin Inserts installation under way per NPDES requirements – Installation is ongoing.
- HSIP Cycle 9 Intersection Improvement Project – Construction started in January 2024 – Anticipated completion by September 2024.

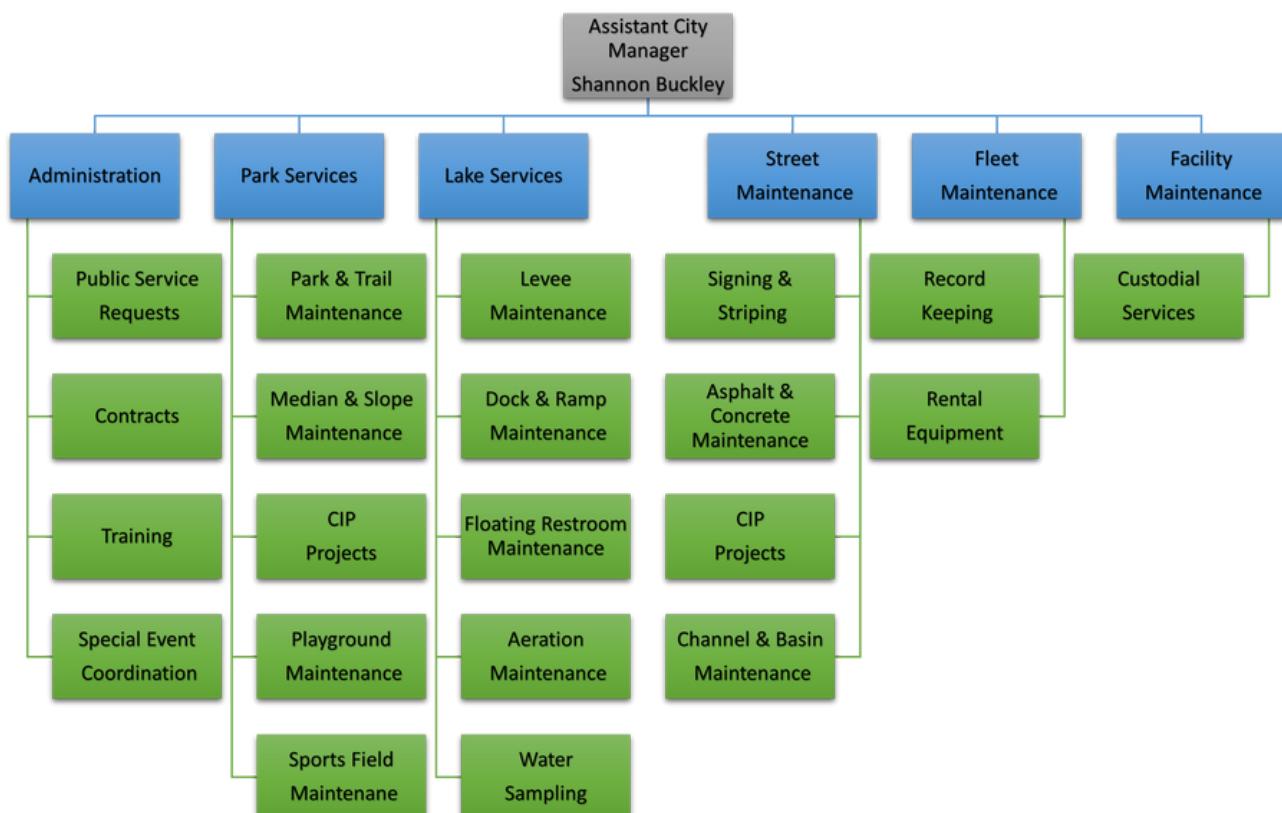


Public Works

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.

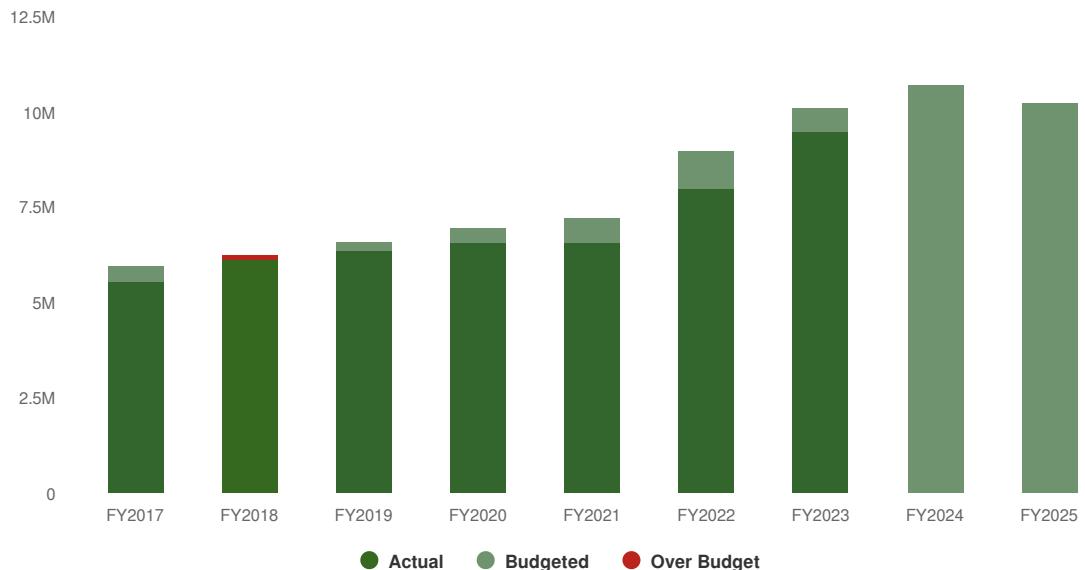
Organizational Chart



Expenditures Summary

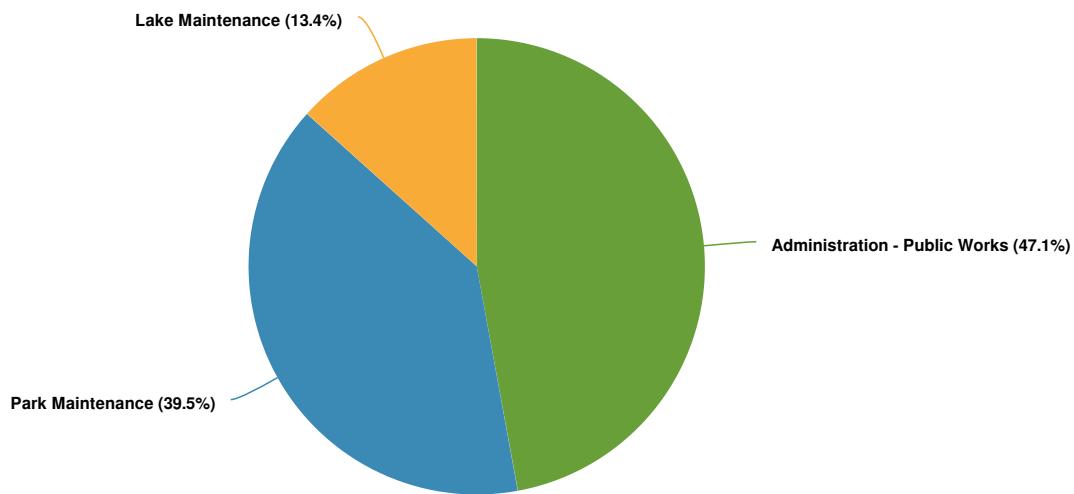
\$10,201,770 **-\$488,910**
(-4.57% vs. prior year)

Public Works Proposed and Historical Budget vs. Actual

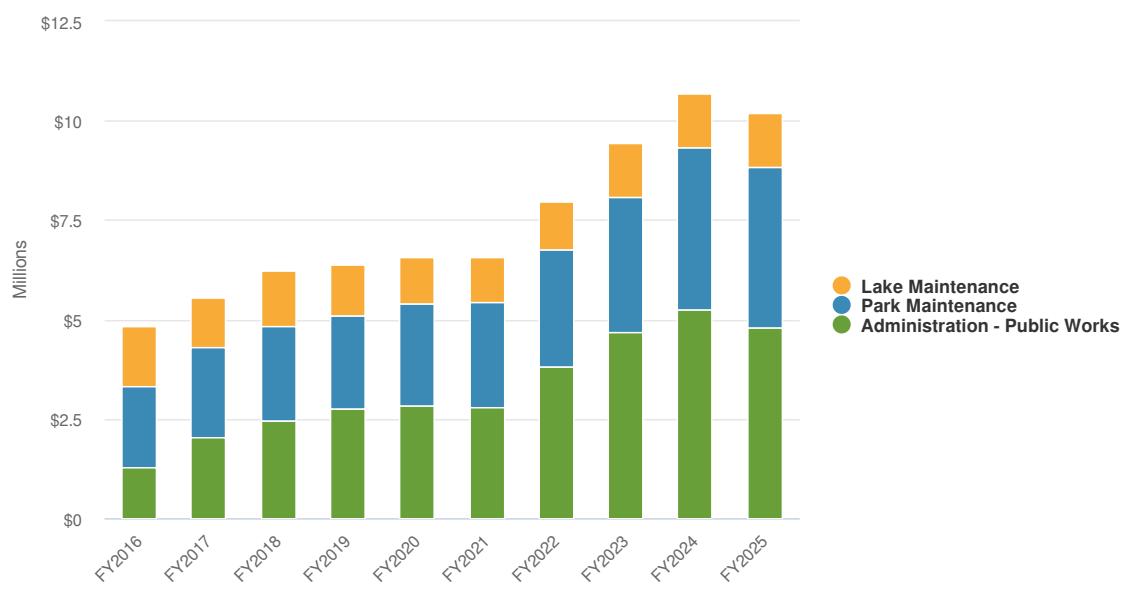


Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function



Administration - Public Works

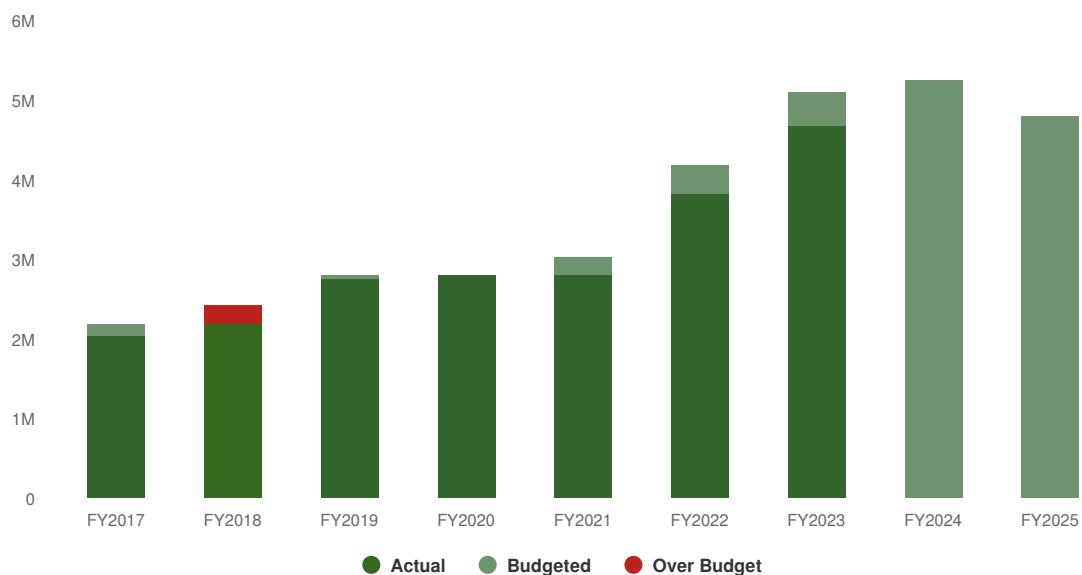
Expenditures Summary

\$4,808,110

-\$449,540

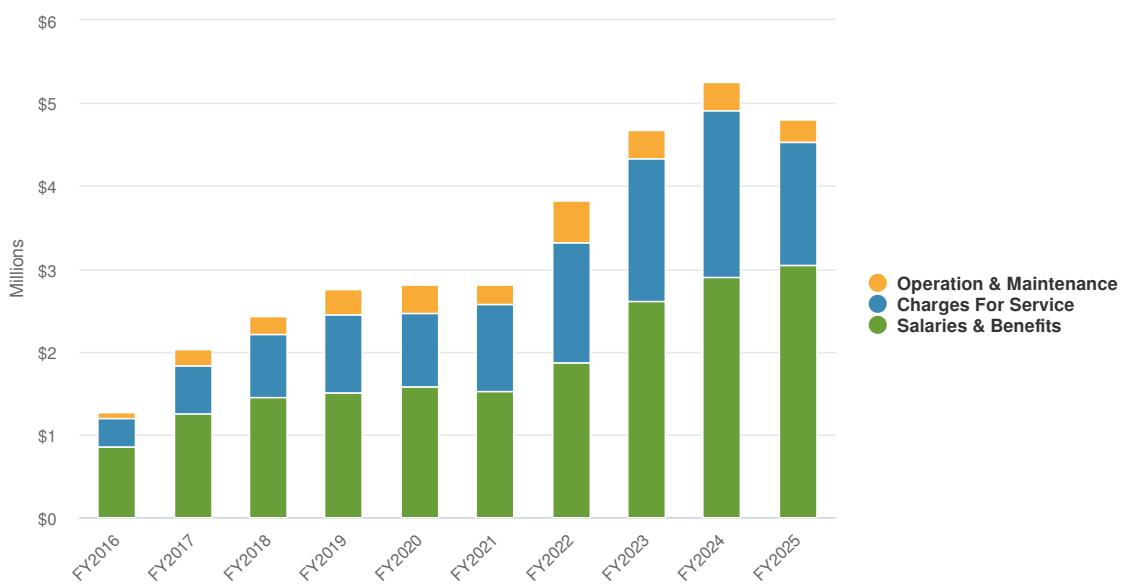
(-8.55% vs. prior year)

Administration - Public Works Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$1,861,054.59	\$2,615,449.22	\$2,892,490.00	\$3,038,255.00
Operation & Maintenance	\$514,927.53	\$347,918.09	\$342,600.00	\$282,525.00
Charges For Service	\$1,450,209.00	\$1,709,310.00	\$2,028,830.00	\$1,487,330.00
Total Expense Objects:	\$3,826,191.12	\$4,672,677.31	\$5,263,920.00	\$4,808,110.00



Personnel Allocation

	AUTHORIZED		AUTHORIZED FY24-25
	FY23-24	CHANGES	
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	2.00	5.00
Maintenance Worker I	7.00	(2.00)	5.00
Account Specialist II	1.00	-	1.00
Administrative Assistant	1.00	-	1.00
Total	20.00	-	20.00

FY 2023 - 24 Accomplishments

- Catch Basins
 - Catch Basins were serviced and repaired.
- Signs Maintenance and Repaired
 - 95 Signs repaired. This includes new install and replaced due to knock downs, weathered or missing signs.
- Illegal Dumps
 - 85 Illegal dumps were picked up from roadway, sidewalks, and empty fields lots.
- Pot Holes & Roads Paved
 - 79 Potholes were repaired in various areas in which 17 of these were reported on See Click Fix (ALERT L.E)
- Catch Basins
 - 47 Catch Basin were serviced and repaired
- Signs Maintenance and Repaired
 - 76 Signs repaired. This includes new installation and replacing due to knockdowns, weathered or missing signs.
- Illegal Dumps
 - 72 Illegal dumps were picked up from roadway, sidewalks, and empty field lots.
- Pot Holes & Roads Paved
 - 102 Potholes were repaired in various areas in which 36 of these were reported on See Click Fix (ALERT L.E)

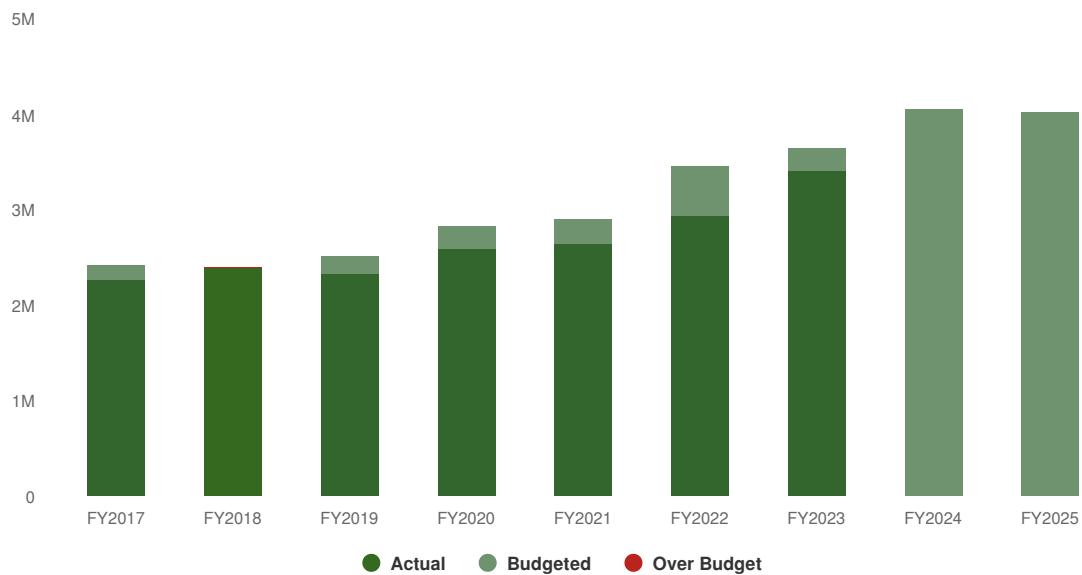


Park Maintenance

Expenditures Summary

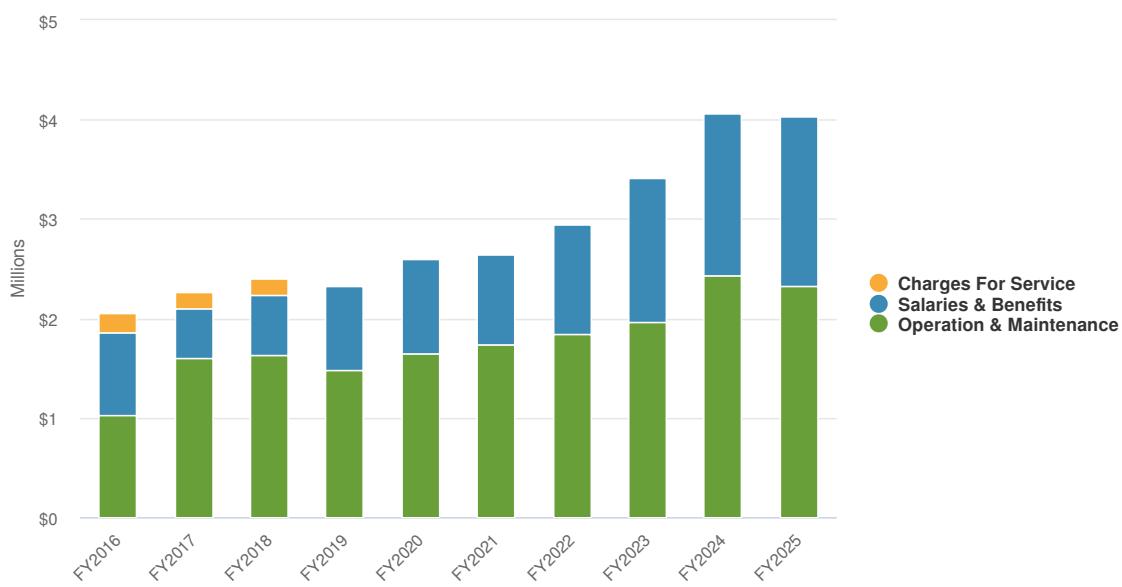
\$4,031,600 **-\$29,910**
(-0.74% vs. prior year)

Park Maintenance Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$1,098,222.90	\$1,450,625.92	\$1,669,330.00	\$1,709,100.00
Operation & Maintenance	\$1,842,934.86	\$1,967,166.87	\$2,392,180.00	\$2,322,500.00
Total Expense Objects:	\$2,941,157.76	\$3,417,792.79	\$4,061,510.00	\$4,031,600.00



Personnel Allocation

	AUTHORIZED		AUTHORIZED
	FY23-24	CHANGES	
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	1.00	7.00
Maintenance Worker I	3.00	(1.00)	2.00
Total	12.00	-	12.00

FY 2023 - 24 Accomplishments

- New Landscaping is being designed for Lincoln Street
- Additional amenities placed at Summerlake Park by the playground and by the restroom.
- Baseball infields at McVicker park were renovated by bringing in additional field mix, replacing all base anchors, repairing the warning tracks, re-claying the batter's boxes and leveling the field.
- A new monument sign was installed at Summerhill Dr and Canyon Estates Dr.
- Tuscany Park baseball infields were renovated by bringing in additional field mix, replacing all base anchors, repairing the warning tracks, re-claying the batter's boxes and leveling the field.
- Tuscany parks west parking lot was slurry sealed and restriped
- Tuscany Hills Estates on Via De La Valle – Landscape renovations completed
- Artificial Turf is being installed at Canyon Hills Park on the Football and Soccer fields
- New Palm trees were planted at Canyon Hills by the restroom building
- New Oak tree planted in the Large dog park
- New shade installed by the splash pad at Canyon Hills Park
- New drinking fountains installed to replace older rusting fountains.
- Christensen Park parking lot was slurry sealed and restriped
- A plan is being put together for Pickle ball courts and a dog park at Alberhill Park
- New Parking lot gates being installed at Alberhill Park
- Central Ave Entry monument complete
- Lakeshore Drive and Grand Avenue entry monument is nearing completion
- Lakepoint parking lot repairs and slurry being scheduled
- New drain grate to be installed at the levee entrance to prevent washouts
- New Levee fitness equipment installed.
- Staff removed the rundown kiosk at Seaport Boat Launch
- Swick and Matich Park underwent major improvements. Field renovations, new dugouts, new fence lines, new tee ball field, cement work and retaining wall, new shade structures, a redesigned parking lot and new cement amenities.
- Fitness trail remodel at Serenity Park
- Serenity Parking lot was slurry sealed and restriped
- A plan is being put together for Pickle ball courts
- New palm trees were installed at Serenity Park
- Baseball infields were renovated at Summerly Park by bringing in additional field mix, replacing all base anchors, repairing the warning tracks, re-claying the batter's boxes and leveling the field.
- New Shade structures installed at Summerly Park over the bleachers.
- Summerly Parking Lot was slurry sealed and restriped
- Railroad Canyon Median Landscape design is complete with new monument design.

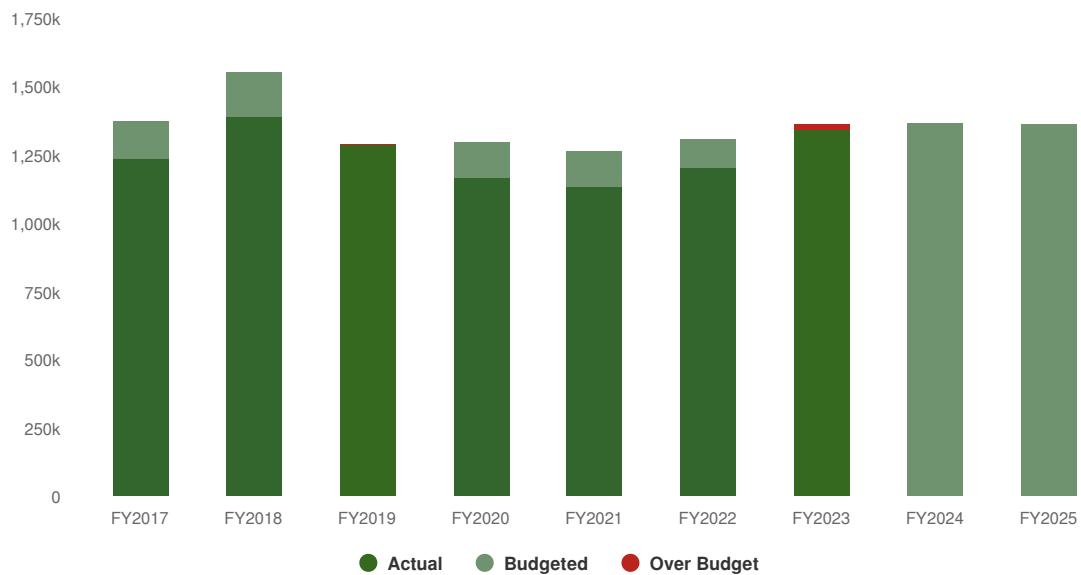


Lake Maintenance

Expenditures Summary

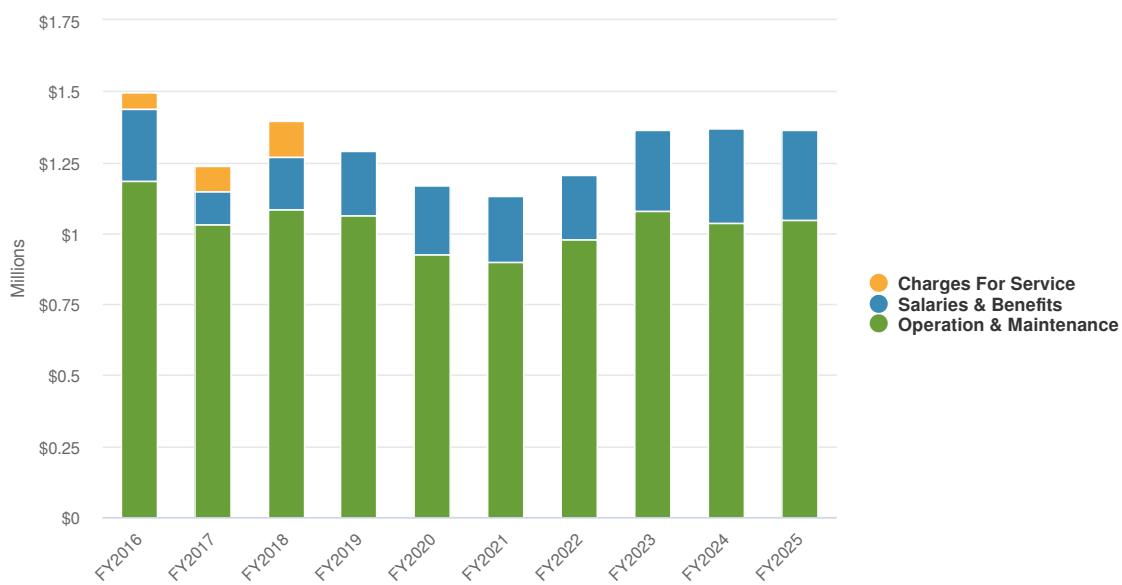
\$1,362,060 **-\$9,460**
(-0.69% vs. prior year)

Lake Maintenance Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$222,642.28	\$284,200.50	\$334,620.00	\$316,660.00
Operation & Maintenance	\$980,593.23	\$1,080,081.18	\$1,036,900.00	\$1,045,400.00
Total Expense Objects:	\$1,203,235.51	\$1,364,281.68	\$1,371,520.00	\$1,362,060.00

Personnel Allocation

	AUTHORIZED		AUTHORIZED	
	FY23-24	CHANGES	FY24-25	
Maintenance Worker II	2.00	-	2.00	
Total	2.00	-	2.00	

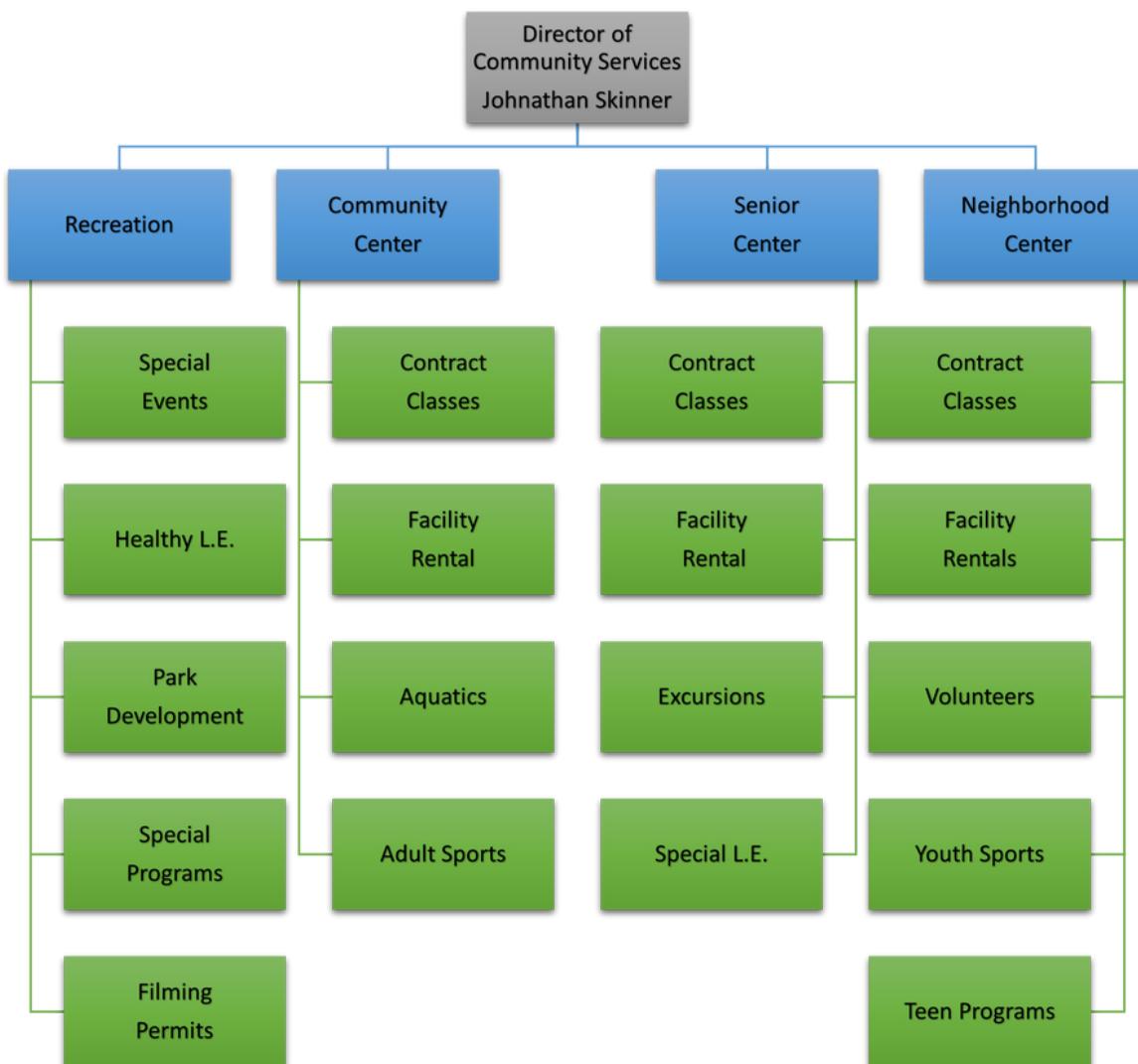


Community Services

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

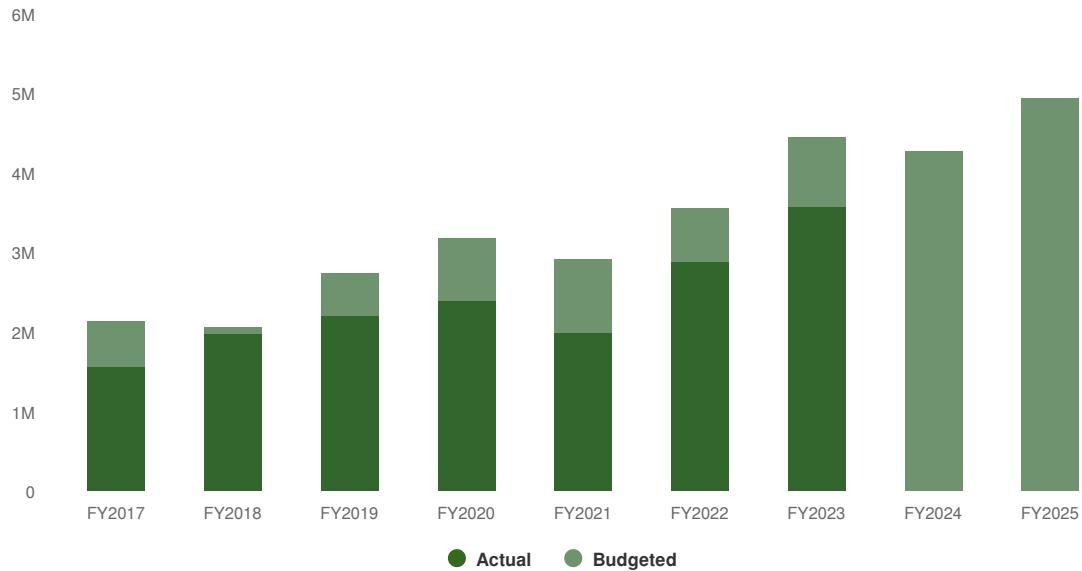


Expenditures Summary

\$4,941,140 **\$665,270**

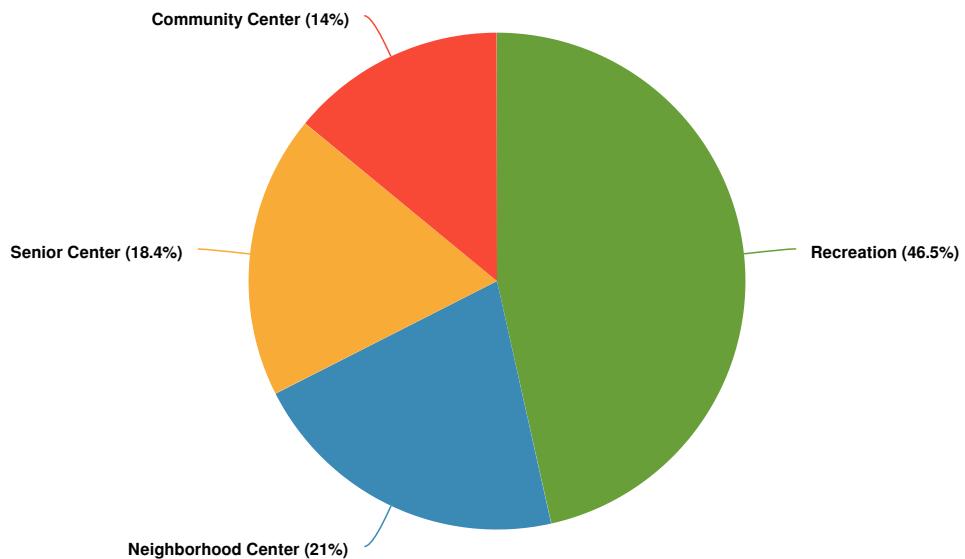
(15.56% vs. prior year)

Community Services Proposed and Historical Budget vs. Actual

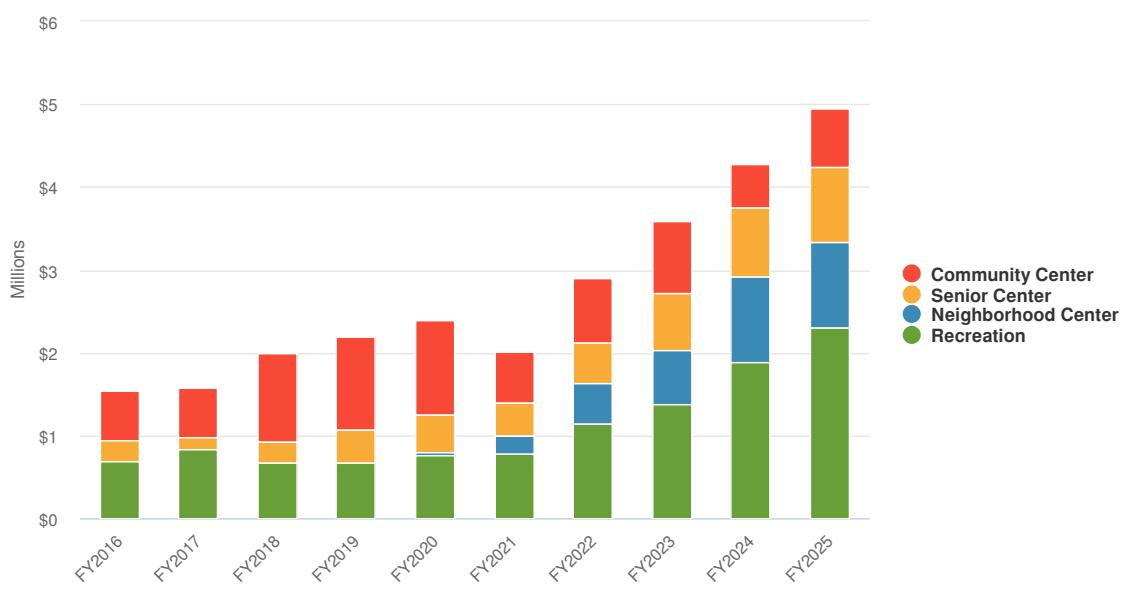


Expenditures by Function

Budgeted Expenditures by Function



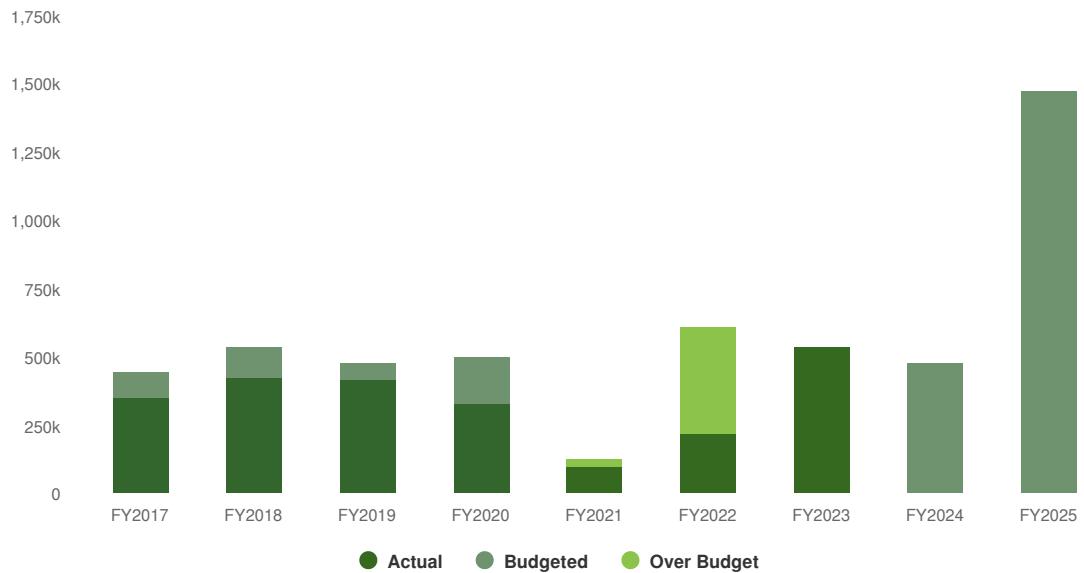
Budgeted and Historical Expenditures by Function



Revenues Summary

\$1,476,080 **\$996,300**
(207.66% vs. prior year)

Community Services Proposed and Historical Budget vs. Actual



Recreation

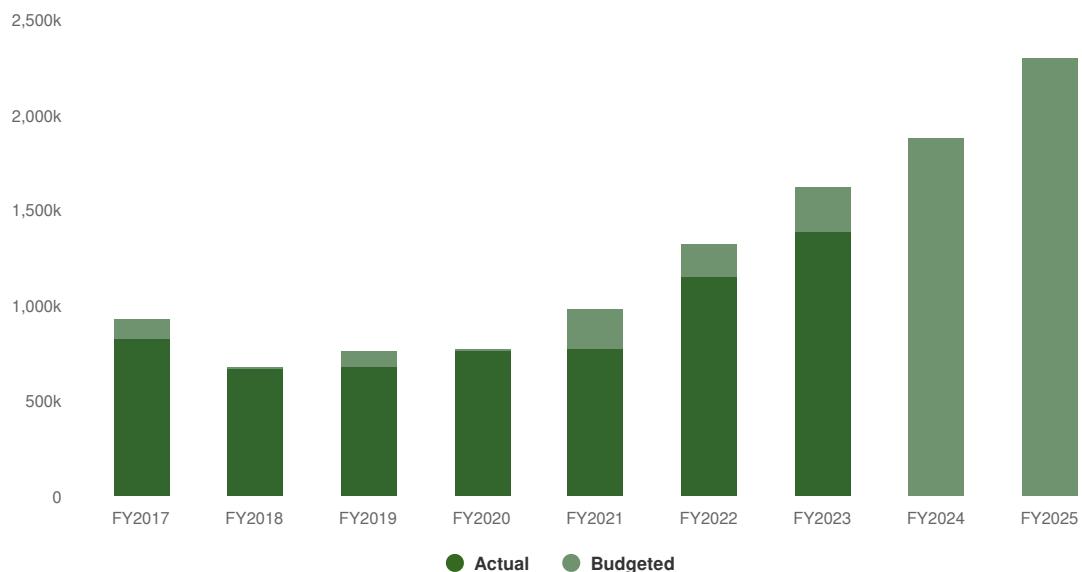
Mission

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 Summary

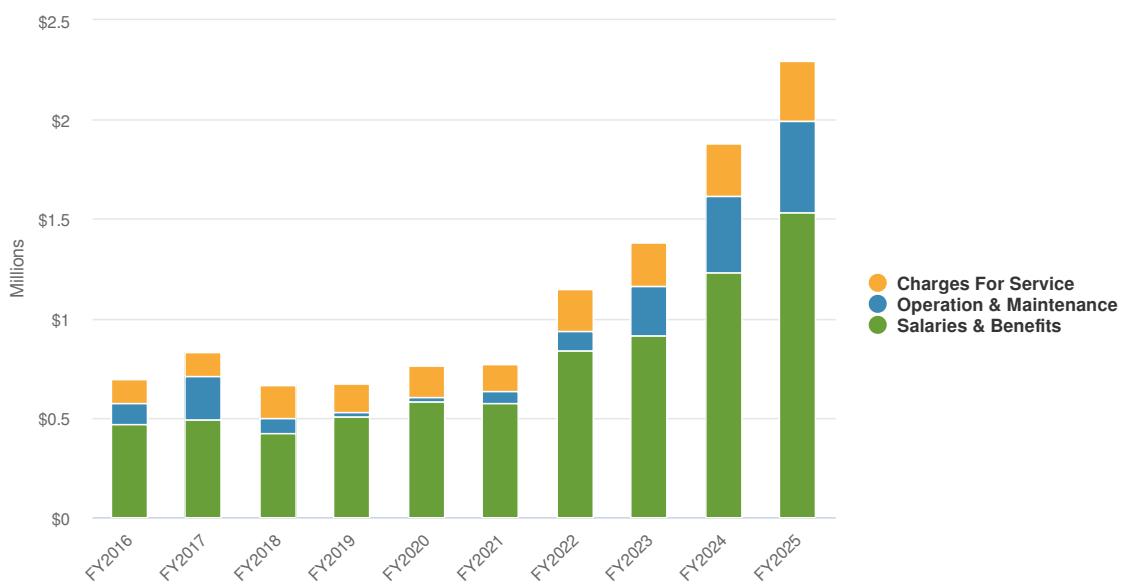
\$2,297,450 **\$415,220**
(22.06% vs. prior year)

Recreation Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



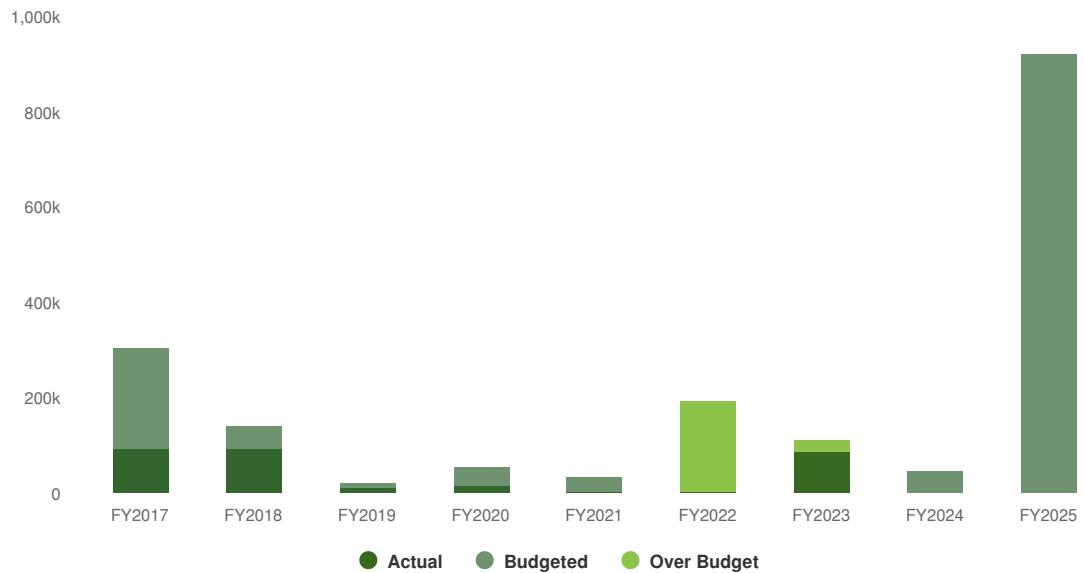
Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$837,265.33	\$913,146.32	\$1,652,770.00	\$1,531,490.00
Operation & Maintenance	\$98,791.20	\$250,544.75	\$460,000.00	\$460,350.00
Charges For Service	\$214,582.00	\$217,352.00	\$270,700.00	\$305,610.00
Total Expense Objects:	\$1,150,638.53	\$1,381,043.07	\$2,383,470.00	\$2,297,450.00



Revenues Summary

\$921,410 **\$874,410**
(1,860.45% vs. prior year)

Recreation Proposed and Historical Budget vs. Actual



Personnel Allocation

	AUTHORIZED FY23-24	CHANGES	AUTHORIZED FY24-25
Director of Community Services	1.00	-	1.00
Assistant Community Services Director	0.75	-	0.75
Senior Management Analyst	-	1.00	1.00
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
Recreation Specialist - PT	8.00	-	8.00
Total	14.75	1.00	15.75

FY 2023 - 24 Accomplishments

ARISE (Adaptive Recreation Incorporating Social Enrichment)

- Registered 19 New Members
- Hosted 16 Events/ Activities
- Served over 400 participants
- Hosted an Athletes Village at LEUSD Games
- Started Quarterly Newsletter

Aquatics

- Hosted Inaugural Water Safety Day; guided 150 attendees through common water safety practices in an engaging format.
- Partnered with LEUSD to host Swimming Lessons for ATP students
- Taught 585 Kids Water Safety in Swimming Lessons
- Taught 12 students Adaptive Swimming Lessons

Classes

- Recruited three new contract instructors (Best Sports, CPR, Yoga)
- Supported Recreation Class Instructors improving upon registration numbers and revenues
- Started new Youth Basketball League/ Partnership with NJB (National Junior Basketball) over 100 participants in the first season



Community Center

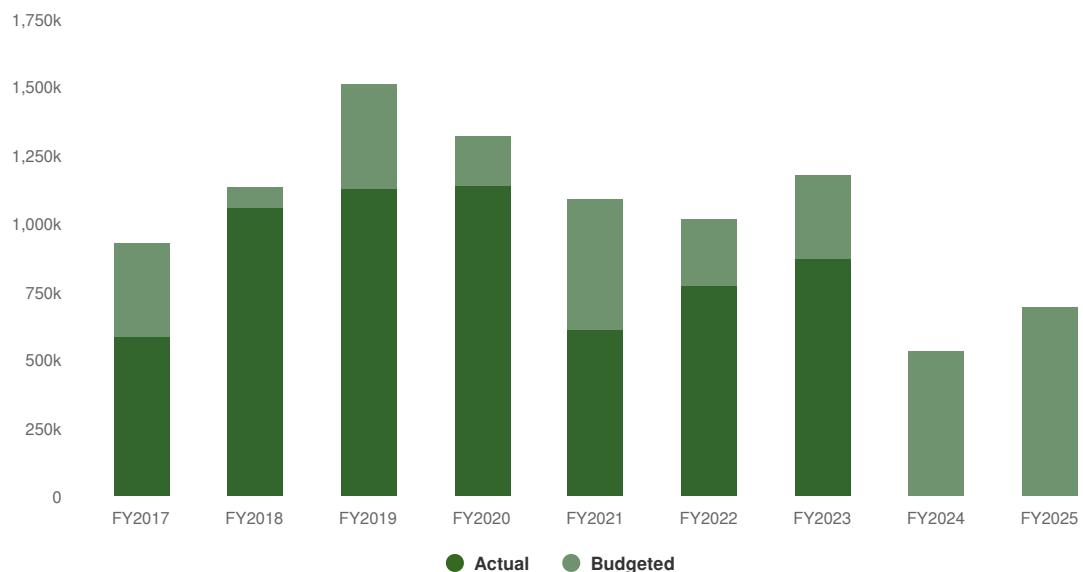
Mission

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 Summary

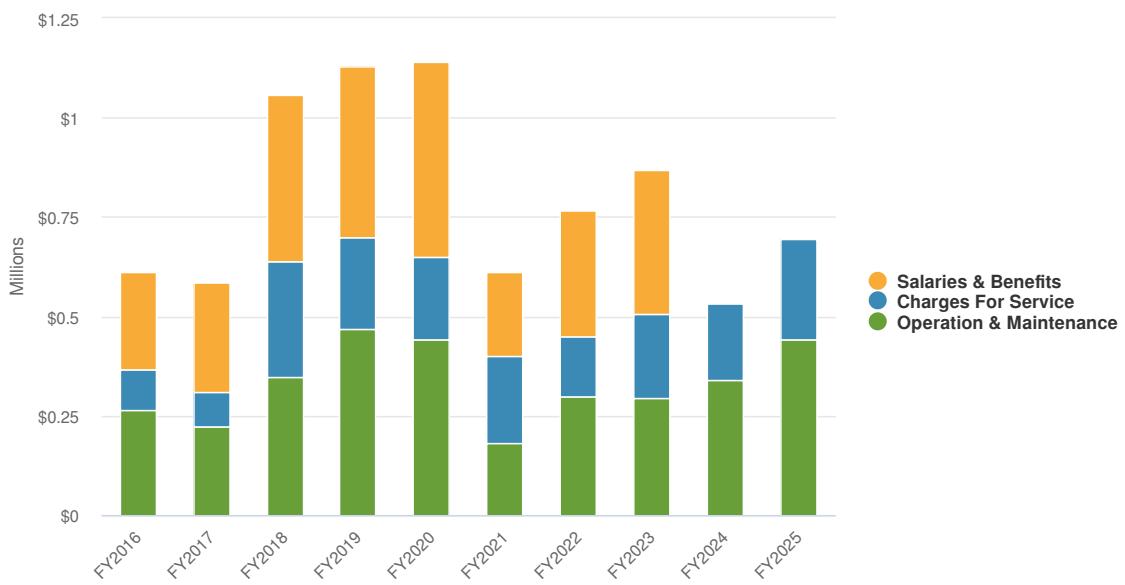
\$693,810 **\$162,650**
(30.62% vs. prior year)

Community Center Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$639,124.88	\$725,457.26	\$1,165,160.00	\$1,403,800.00
Operation & Maintenance	\$297,672.64	\$296,260.34	\$390,980.00	\$443,700.00
Charges For Service	\$150,688.00	\$210,965.00	\$192,390.00	\$250,110.00
Total Expense Objects:	\$1,087,485.52	\$1,232,682.60	\$1,748,530.00	\$2,097,610.00

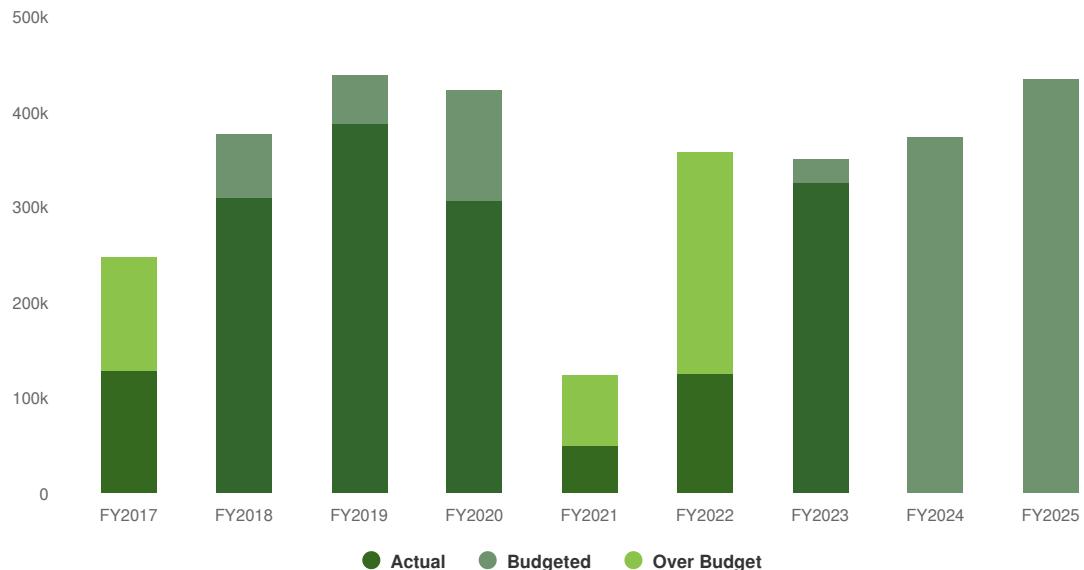


Revenues Summary

\$434,610 **\$59,860**

(15.97% vs. prior year)

Community Center Proposed and Historical Budget vs. Actual



Personnel Allocation

	AUTHORIZED FY23-24	CHANGES	AUTHORIZED FY24-25
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	23.00	-	23.00

FY 2023 - 24 Accomplishments

Day Camp

- Hosted 6 of 6 sold out weeks of Day Camp
- Hosted 44 Kids over two sessions in a brand new Science Day Camp.
- Science Camp

Events

- Spring Eggstraganza moved to Downtown Event, renamed Bunny Trunk Hop with great participation
- Successful "Live at the Lakefront Music Series" with average of over 2,000 participants per concert
- Returned Taco Fest to Downtown and partnered with Classic Car Show
- Spearheaded numerous Ground Breakings and Ribbon Cuttings
- Trunk or Treat exceeded previous participation with over 8,000 visitors
- Held 3rd Annual Mariachi Fest, selling out with over 4,000 participants
- Improved upon Winterfest Event to include more parade participants and larger event area, over 13,000 attendees
- Held two sold out "Breakfast with Santa" events at the local fire Station



Senior Center

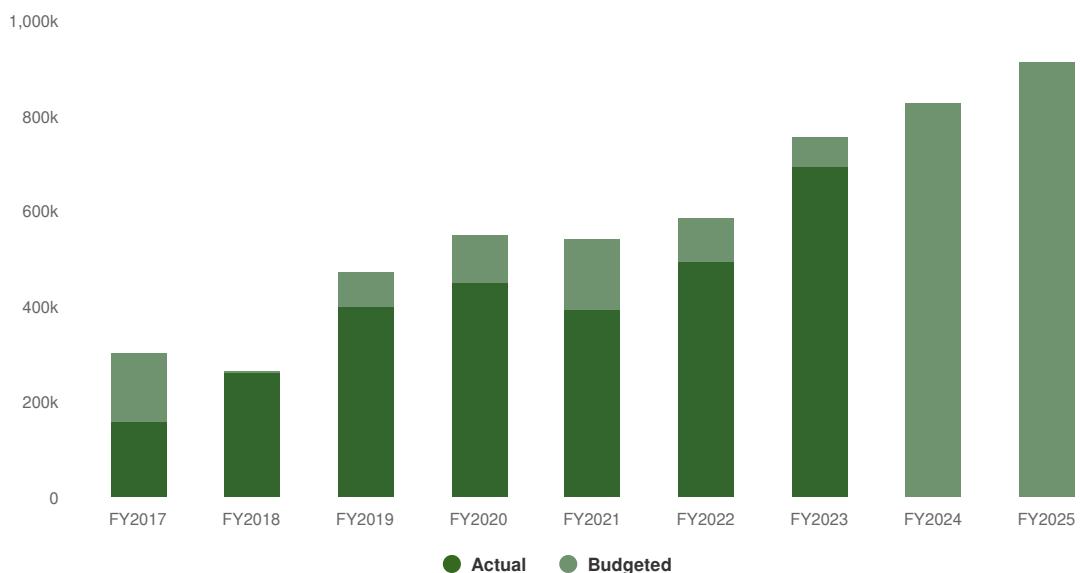
Mission

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 Summary

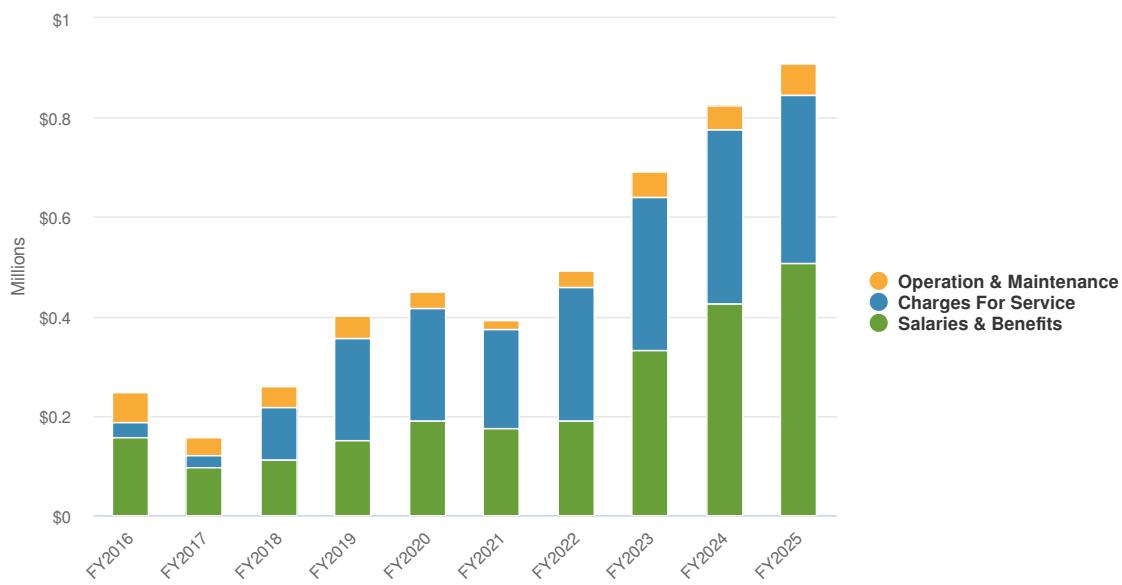
\$910,810 **\$85,180**
(10.32% vs. prior year)

Senior Center Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



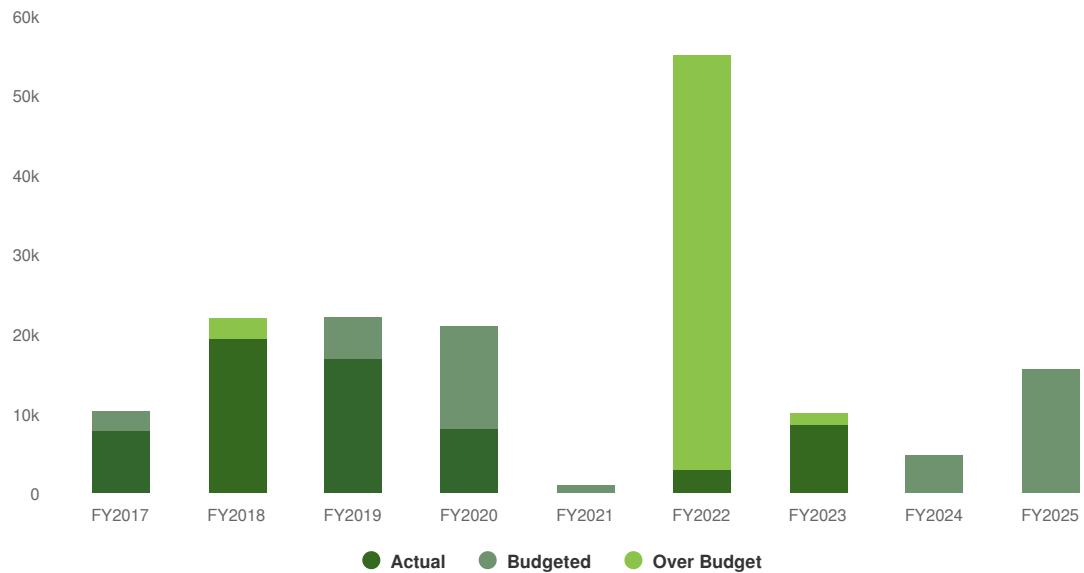
Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$188,866.07	\$333,665.28	\$425,650.00	\$508,840.00
Operation & Maintenance	\$32,727.67	\$52,013.68	\$77,820.00	\$65,250.00
Charges For Service	\$270,967.00	\$307,300.00	\$353,270.00	\$336,720.00
Total Expense Objects:	\$492,560.74	\$692,978.96	\$856,740.00	\$910,810.00



Revenues Summary

\$15,660 **\$10,710**
(216.36% vs. prior year)

Senior Center Proposed and Historical Budget vs. Actual



Personnel Allocation

	AUTHORIZED FY23-24	CHANGES	AUTHORIZED FY24-25
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	7.00	-	7.00

FY 2023 - 24 Accomplishments

- Hosted Evening Spring Formal and 9 other Special Events averaging 48 participants each event
- Took 187 Seniors on Various Trips around Southern California
- 300 Seniors Registered for special programming
- Started new programs, Black Jack, Free Haircuts, and Chair Volleyball
- Averaged 58 daily visitors to the Senior Center
- Averaged 30 Fit after 50 Exercise Participants
- Secured \$4,000 NRPA Grant for Walk with Ease
- Staff has been appointed as one of two in the Nation as a Peer Leader for the NRPA Senior Activities Grant Program



Neighborhood Center

Mission

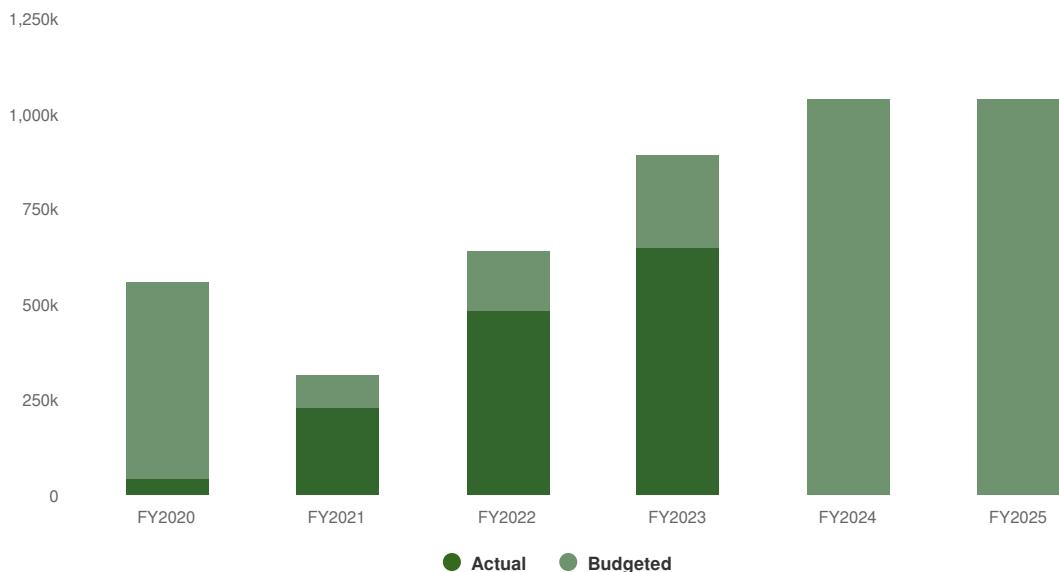
Formerly known as the *Old Sheriff's Station*, the City of Lake Elsinore was deeded this facility in 2016 from the County of Riverside and later refurbished from what was once used as a Sheriff Station and Courthouse, to a renovated facility for the expansion of City recreational programming.

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 Summary

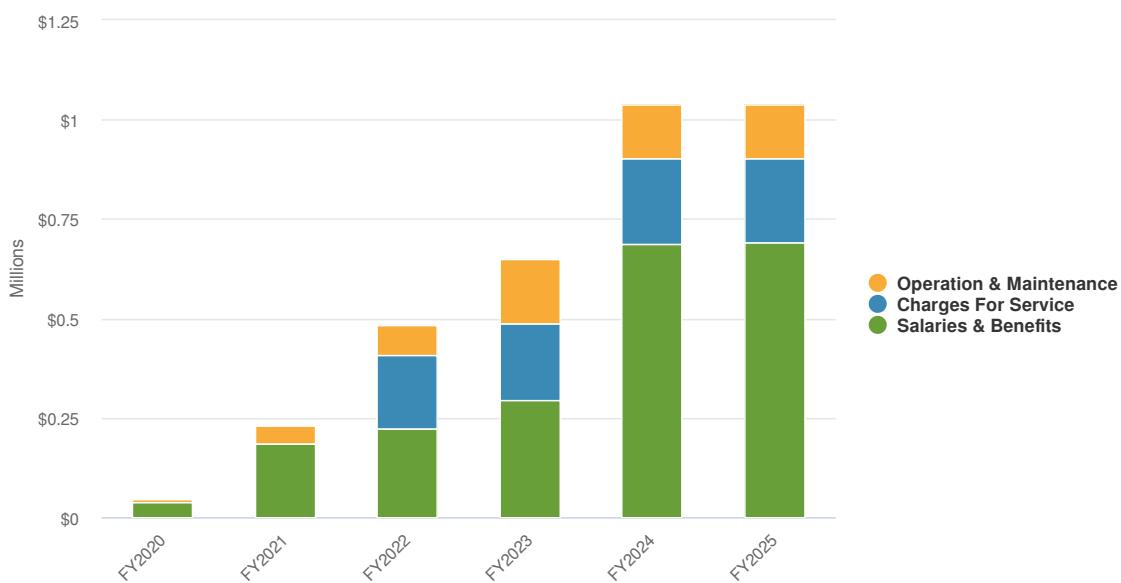
\$1,039,070 **\$2,220**
(0.21% vs. prior year)

Neighborhood Center Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



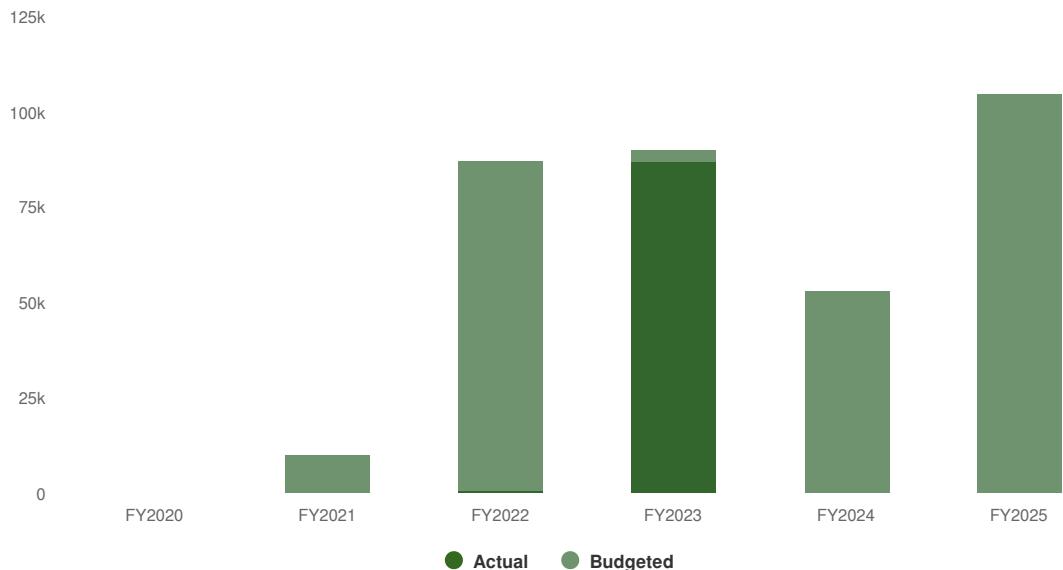
Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$224,275.72	\$294,418.70	\$688,670.00	\$689,500.00
Operation & Maintenance	\$78,313.92	\$164,378.50	\$157,000.00	\$135,750.00
Charges For Service	\$181,710.00	\$191,521.00	\$217,400.00	\$213,820.00
Total Expense Objects:	\$484,299.64	\$650,318.20	\$1,063,070.00	\$1,039,070.00



Revenues Summary

\$104,400 **\$51,320**
(96.68% vs. prior year)

Neighborhood Center Proposed and Historical Budget vs. Actual



Personnel Allocation

	AUTHORIZED FY22-23	CHANGES	AUTHORIZED FY23-24
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	11.00	-	11.00

FY 2023 - 24 Accomplishments

- o Drafted and issued RFP for CSD Master Plan to include community needs assessment, expected to be awarded in February 2024
- o Assisted with redesign of Swick and Matich Park to comply with Little League Western Region for dimensions
 - o Pursued and researched potential capital and programming projects, including:
 - Pursuing MTB park/trails and assessing potential sites with local professionals
 - Establishing a Pickle Ball club and programming at LCC
 - Accessible Sports Park with potential collaboration with Miracle Fields
 - Continued correspondence with ASR on Whitewater Park concept



Non-Departmental

Mission

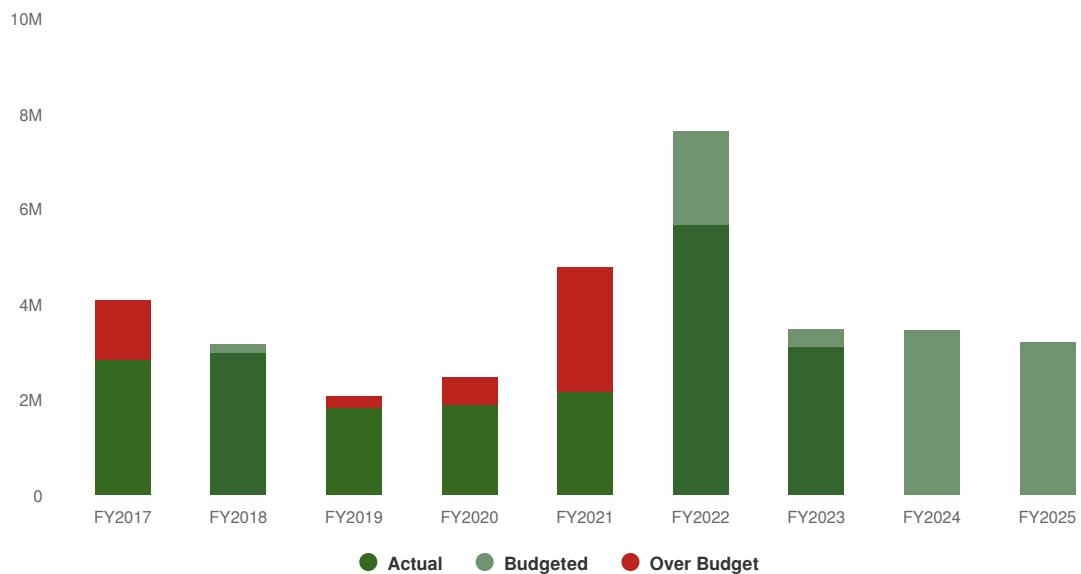
The Non-Departmental Division is a cost center for general administrative expenditures such as CalPERS Replacement Benefit, County Property Tax Administration Fees, and various Trustee Fees and Costs. It also reflects the Debt Service payment for the 2013 Recreation Authority Lease Revenue Bonds.

Expenditures Summary

\$3,195,530 **-\$247,870**

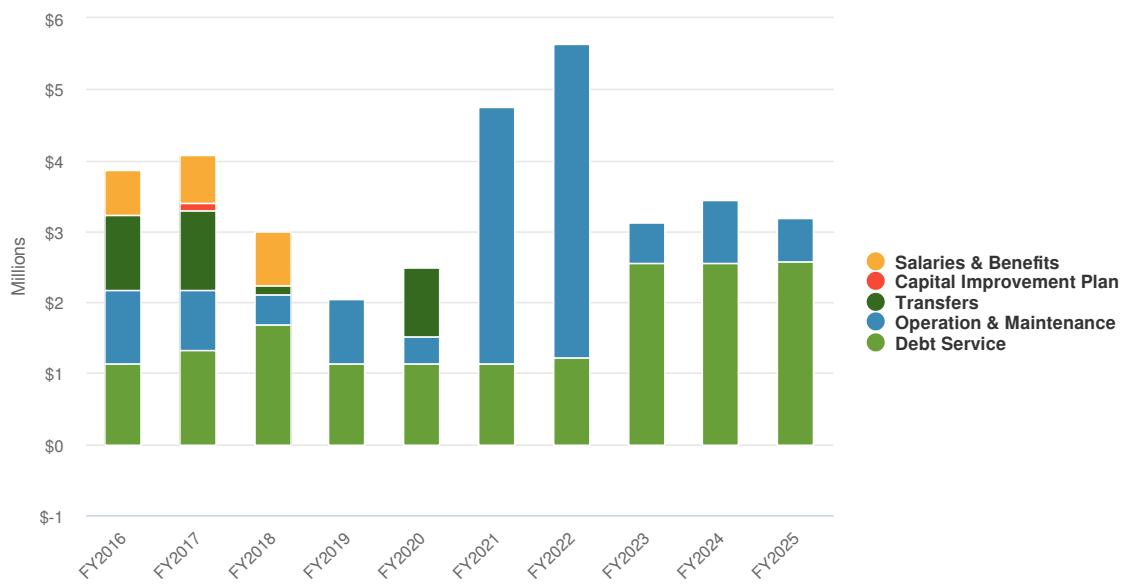
(-7.20% vs. prior year)

Non-Departmental Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$13,748.06	\$1,230.00	\$0.00	\$0.00
Operation & Maintenance	\$4,410,356.15	\$558,935.91	\$882,000.00	\$632,000.00
Debt Service	\$1,221,247.94	\$2,559,477.21	\$2,561,400.00	\$2,563,530.00
Total Expense Objects:	\$5,645,352.15	\$3,119,643.12	\$3,443,400.00	\$3,195,530.00



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

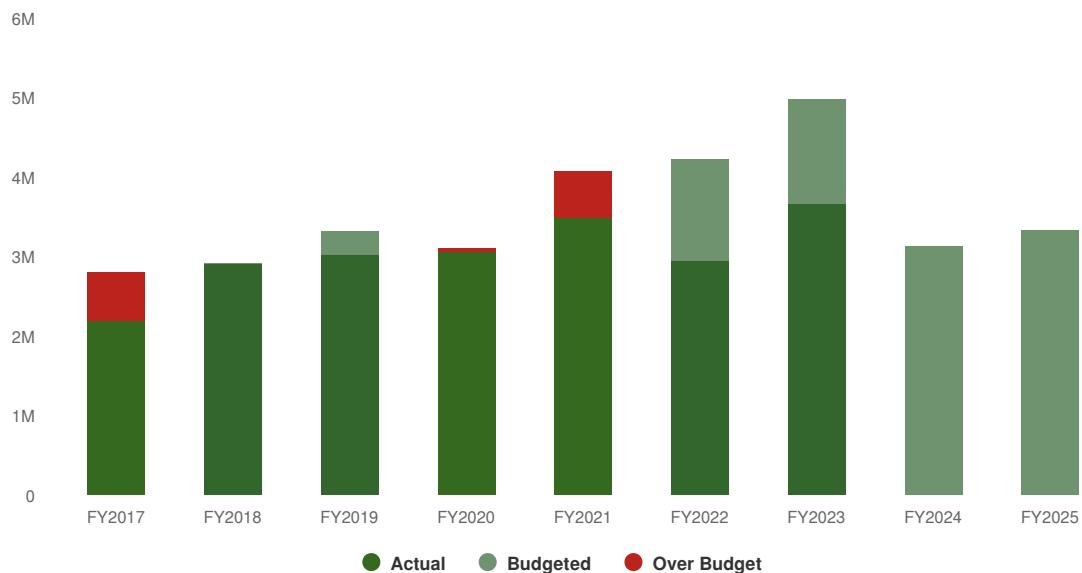
- Insurance Services
- Information Technology
- Support Services
- Fleet Services
- Facility Services

Expenditures Summary

\$3,330,505 \$203,465

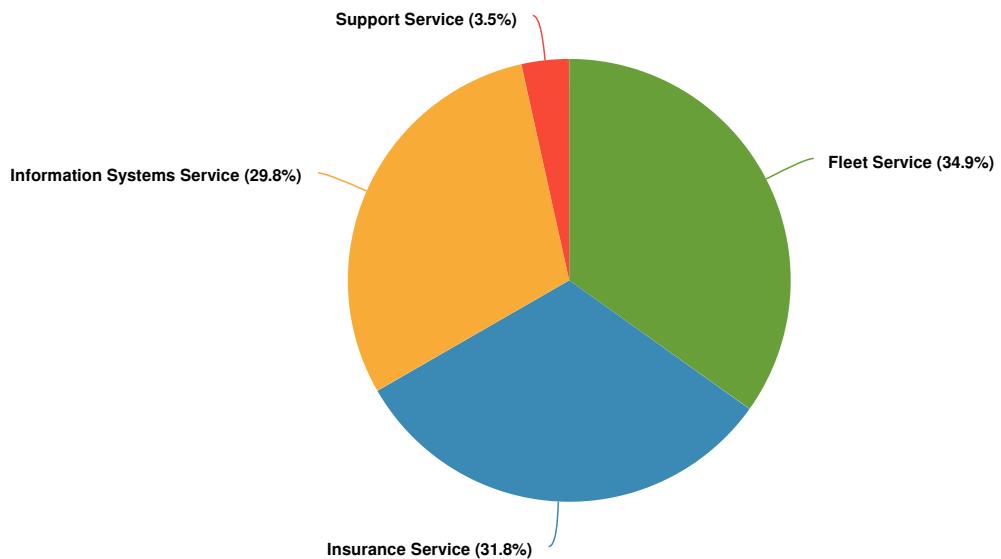
(6.51% vs. prior year)

Internal Service Funds Proposed and Historical Budget vs. Actual

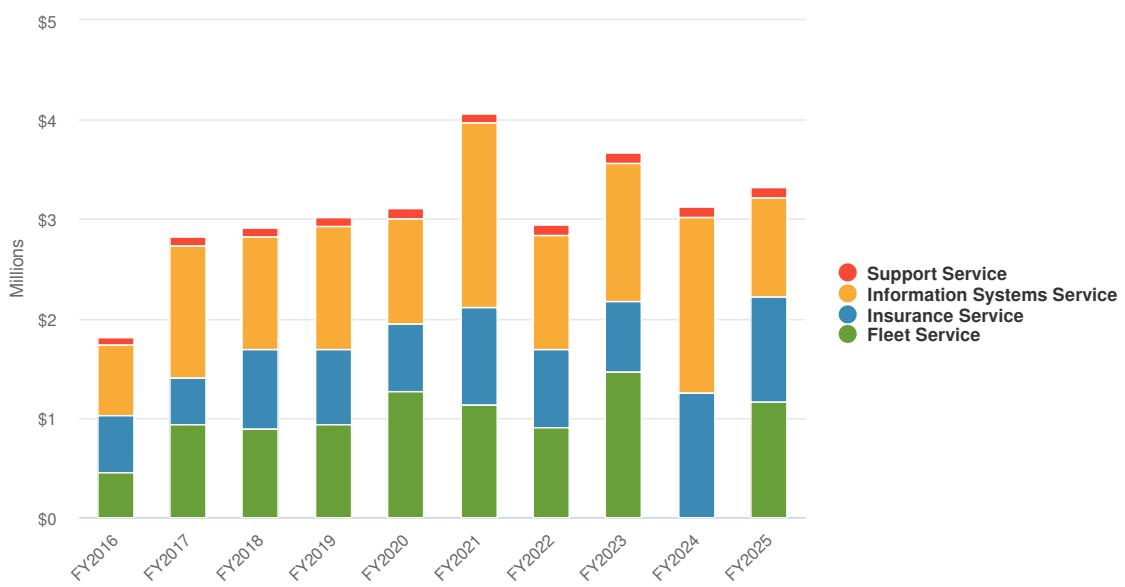


Expenditures by Fund

2025 Expenditures by Fund



Budgeted and Historical 2025 Expenditures by Fund



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.

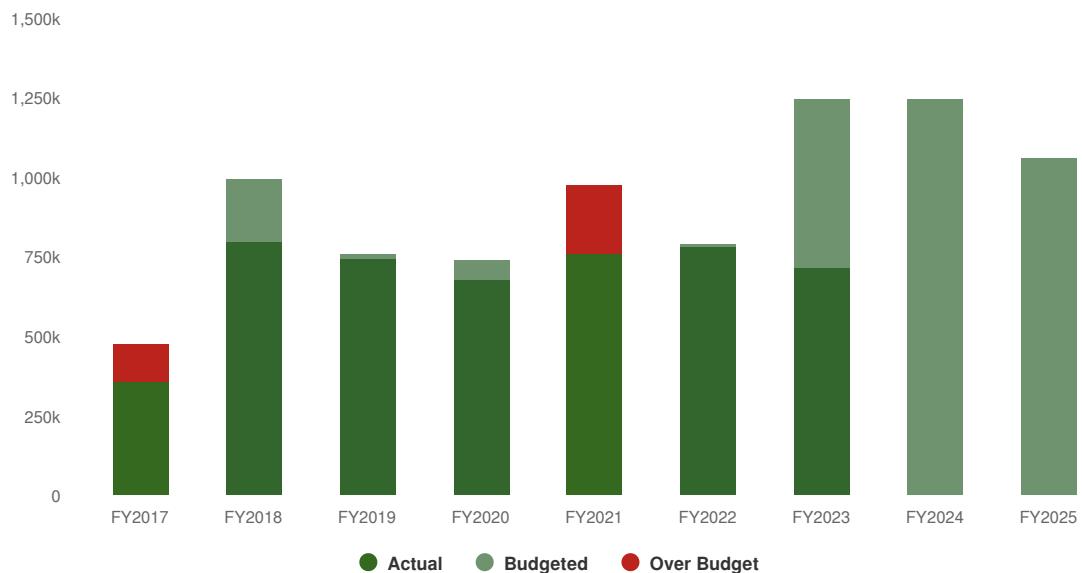
The allocation method for this fund is based on expenditure less investment income and direct charges to police and fire to achieve the net cost to be allocated. The net cost is then allocated based on the total number of personnel per department.

Expenditures Summary

\$1,059,690 **-\$186,550**

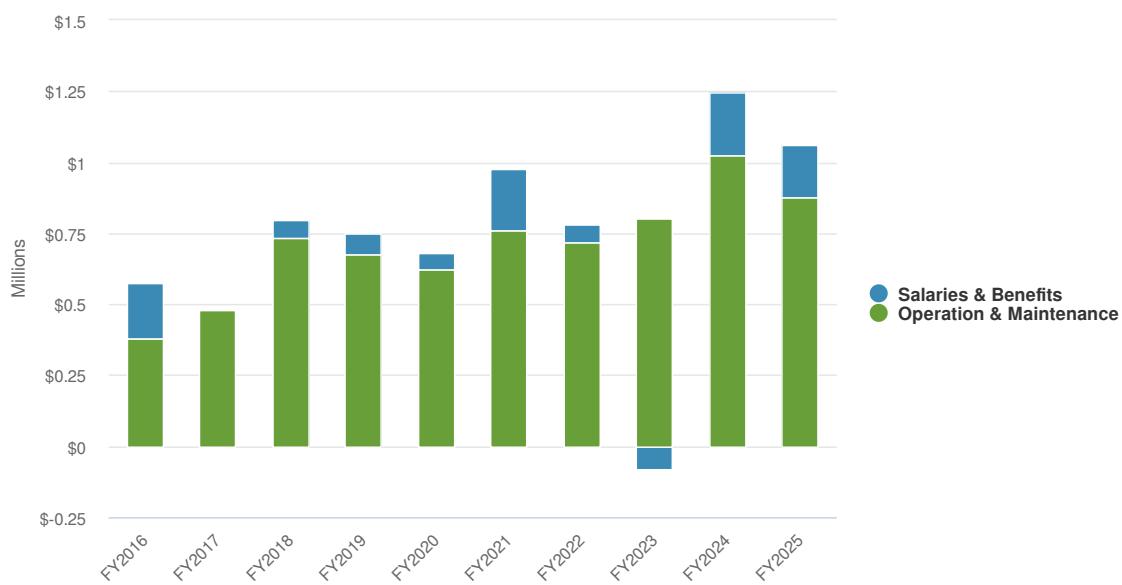
(-14.97% vs. prior year)

Insurance Services Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$65,480.25	-\$82,108.97	\$234,650.00	\$182,390.00
Operation & Maintenance	\$716,596.95	\$801,327.09	\$751,807.00	\$877,300.00
Total Expense Objects:	\$782,077.20	\$719,218.12	\$986,457.00	\$1,059,690.00

Personnel Allocation

	AUTHORIZED		AUTHORIZED	
	FY23-24	CHANGES	FY24-25	
Director of Administrative Services (Unfunded) Total	0.34	-	0.34	
Assistant Director of Administrative Services	0.34	-	0.34	
Total	0.68	-	0.68	

FY 2023-24 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.

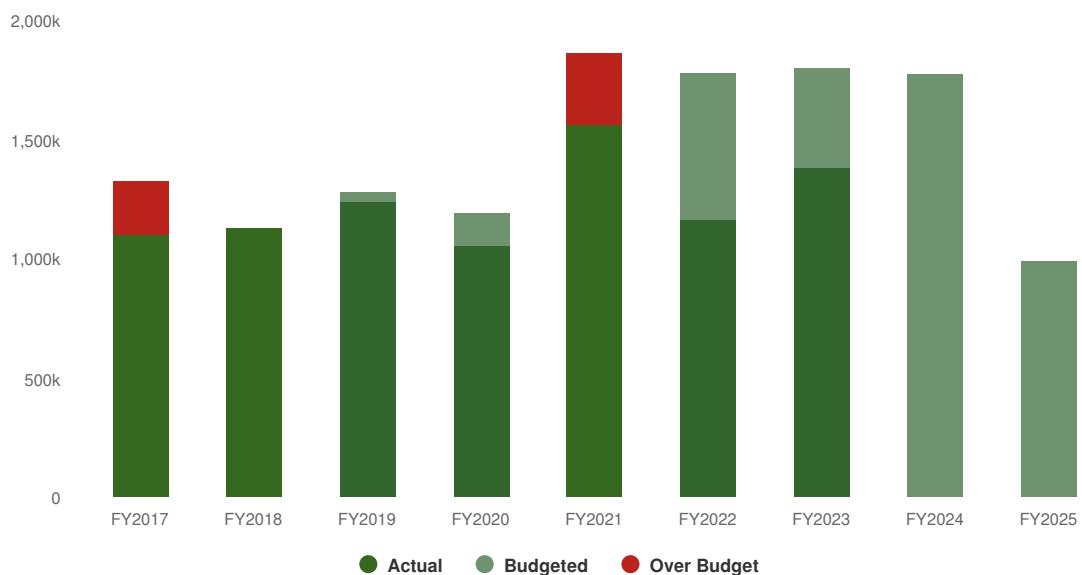
The allocation method for this fund is based on expenditure less investment income plus a ten percent markup (for replacement cost) to equal the net cost to be allocated. The net cost is then allocated based on the total number of workstations per department.

Expenditures Summary

\$993,434 **-\$778,646**

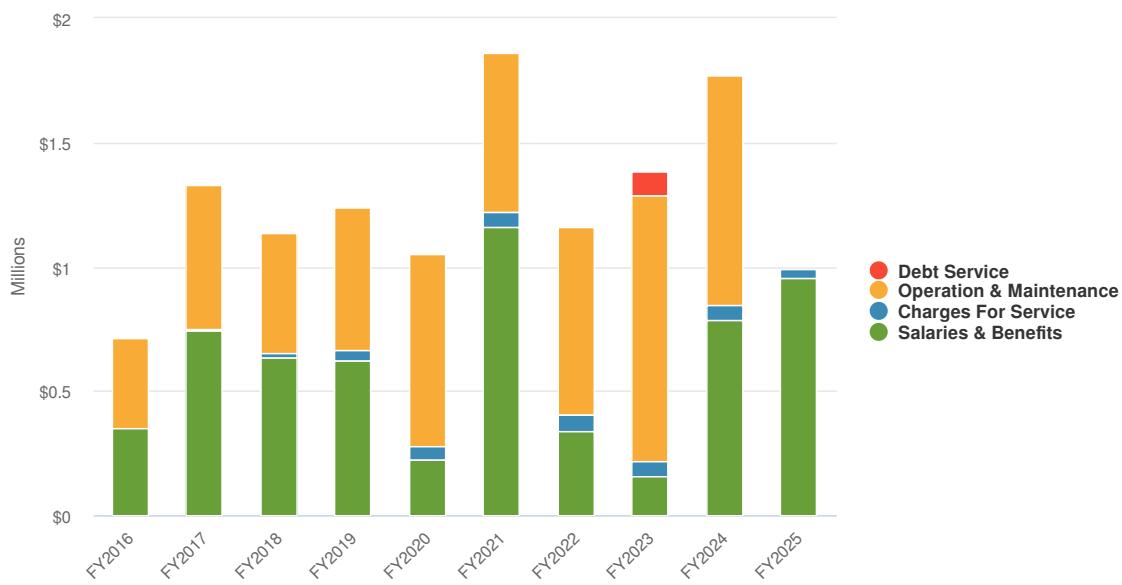
(-43.94% vs. prior year)

Information Technology Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$341,018.24	\$157,690.50	\$937,440.00	\$954,540.00
Operation & Maintenance	\$1,520,870.10	\$2,145,077.66	\$3,074,060.00	\$2,220,400.00
Charges For Service	\$61,291.69	\$58,856.44	\$44,000.00	\$35,644.00
Debt Service		\$95,237.03	\$0.00	\$0.00
Total Expense Objects:	\$1,923,180.03	\$2,456,861.63	\$4,055,500.00	\$3,210,584.00

Personnel Allocation

	AUTHORIZED FY23-24	CHANGES	AUTHORIZED
			FY24-25
Assistant Information Technology Director	-	1.00	1.00
Information Technology Manager (Unfunded)	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	5.00	1.0	6.00

FY 2023 - 24 Accomplishments

- Redesigned and launched a new modernized city website
- Implemented Cireson's new help desk portal system
- Deployed Cireson's new IT Asset Management System
- Update GIS Data for an enhanced user experience
- Upgraded EnerGov to latest version providing a robust solution
- Upgraded Firewall's and Networking Infrastructure to enhance Cyber Security



Support Service

Mission

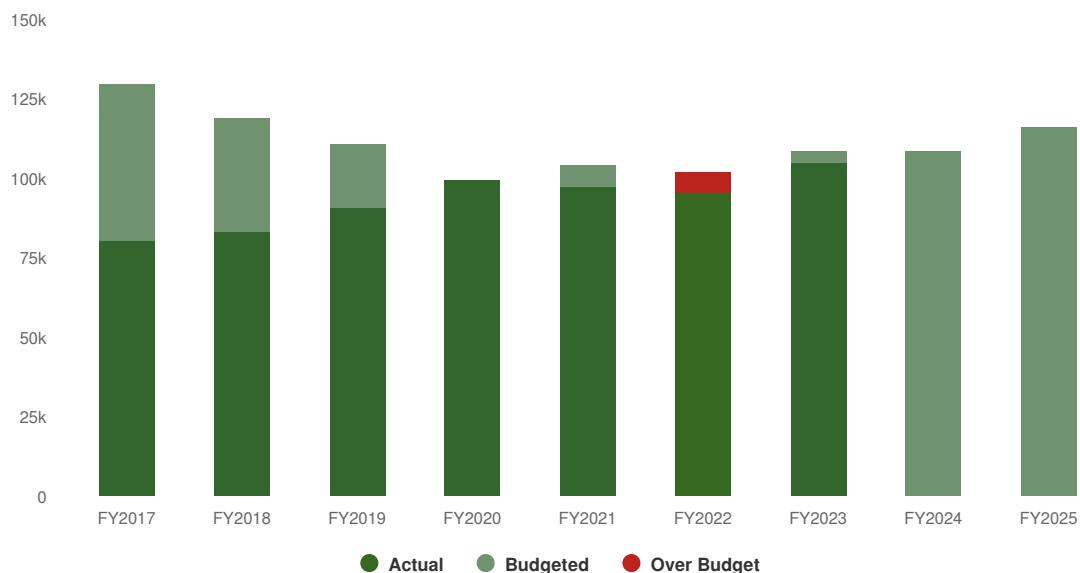
The Support Services Fund is the cost center for the City's central duplicating, printing, and mailing activities. It is also used to depreciate all related copying and mailing equipment over their useful lives, and to accumulate resources for the purchase of future equipment. Departments are charged 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 Summary

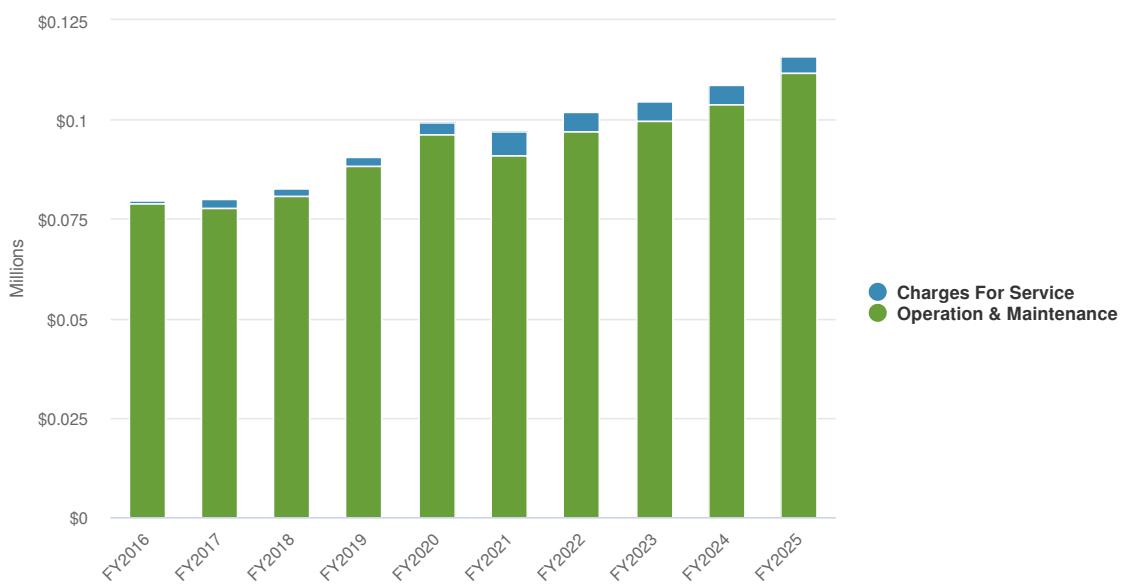
\$115,906 **\$7,186**
(6.61% vs. prior year)

Support Service Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Operation & Maintenance	\$97,121.67	\$99,792.40	\$103,910.00	\$111,900.00
Charges For Service	\$4,806.75	\$4,806.78	\$4,810.00	\$4,006.00
Total Expense Objects:	\$101,928.42	\$104,599.18	\$108,720.00	\$115,906.00



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.

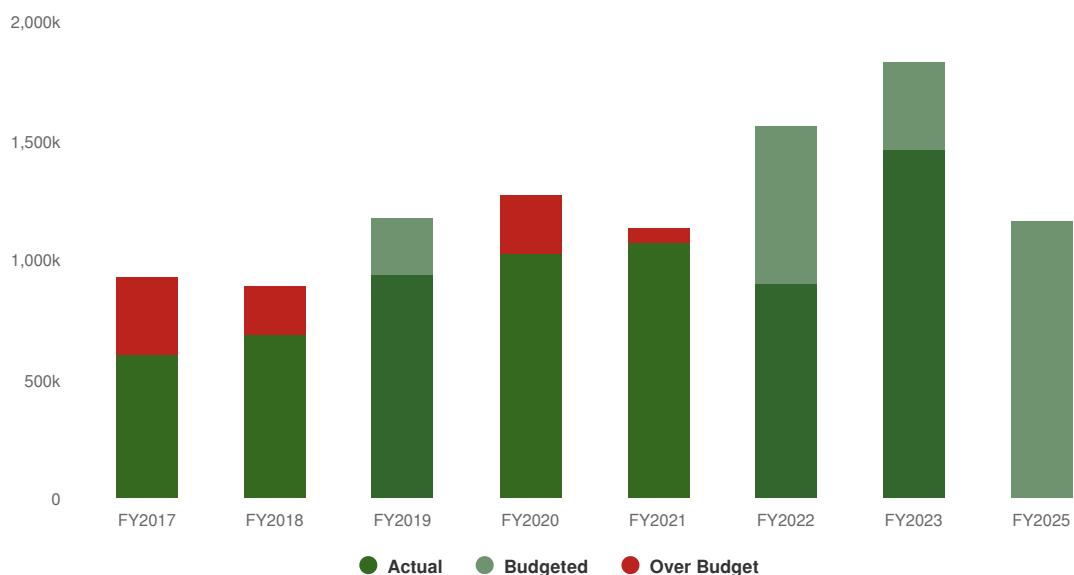
The division provides fleet services to six City departments with a combined municipal fleet total of approximately 172 units. The division is responsible for asset management, maintenance and repairs, vehicle acquisitions and dispositions, equipment specifications, and the shared motor pool program.

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 Summary

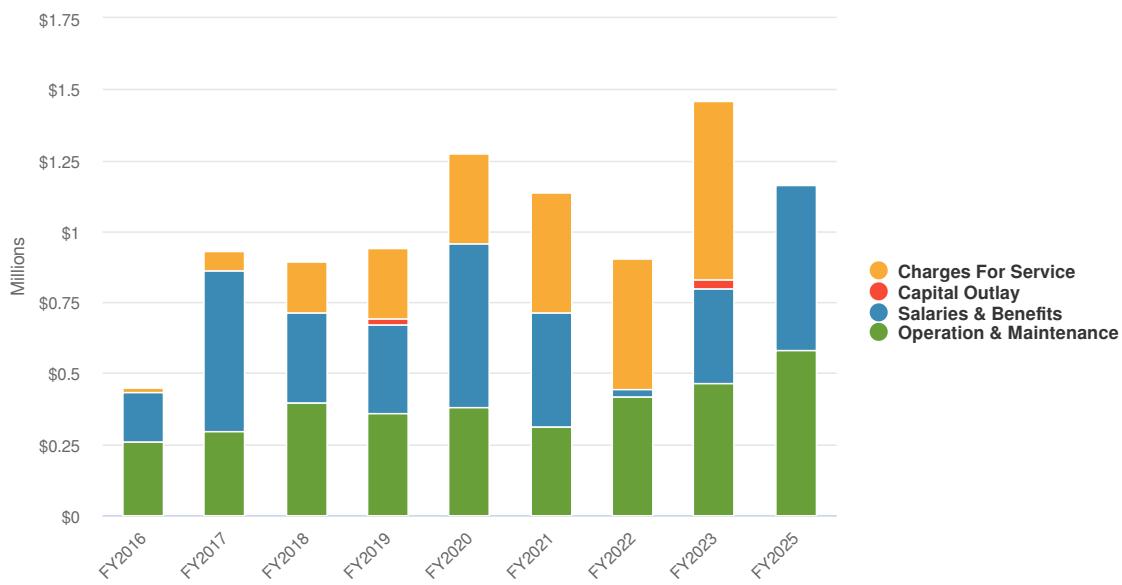
\$1,161,475 **\$1,161,475**
(100.00% vs. prior year)

Fleet Services Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$26,537.02	\$335,486.40	\$578,790.00	\$579,575.00
Operation & Maintenance	\$418,510.49	\$464,238.95	\$504,050.00	\$581,900.00
Charges For Service	\$457,363.81	\$629,249.48	\$751,195.00	\$0.00
Capital Outlay	\$0.00	\$31,674.08	\$0.00	\$0.00
Total Expense Objects:	\$902,411.32	\$1,460,648.91	\$1,834,035.00	\$1,161,475.00



Personnel Allocation

	AUTHORIZED		AUTHORIZED
	FY23-24	CHANGES	
Public Works Supervisor	1.00	-	1.00
Lead Worker	1.00	-	1.00
Maintenance Worker II	1.00	-	1.00
Total	3.00	-	3.00

FY 2023 - 24 Accomplishments

- Solar Powered Message Boards Delivered
 - (2) Solar powered message boards for emergency and special events
- Field Groomer Sand Pro
 - Field groomer for park field maintenance throughout City parks
- Agricultural Tractor
 - Agricultural tractor for beach cleaning, raking, spraying, and mowing
- Z45/25 Electric Boom Lift (On Order)
 - Electric articulating boom lift equipped with non-marking solid tires
- (2) LED Light Towers (On Order)
 - LED towers brighter and more efficient
- Rotary Cutter Mower
 - 20-foot rotary brush cutter
- Asphalt Patch Truck
 - Designed to transport hot or cold asphalt and road oils at controlled temperatures
- (3) Code Enforcement Vehicles
 - 4x4 Chevrolet Silverado's to help with traction when inspecting rural areas



Facility Services

Mission

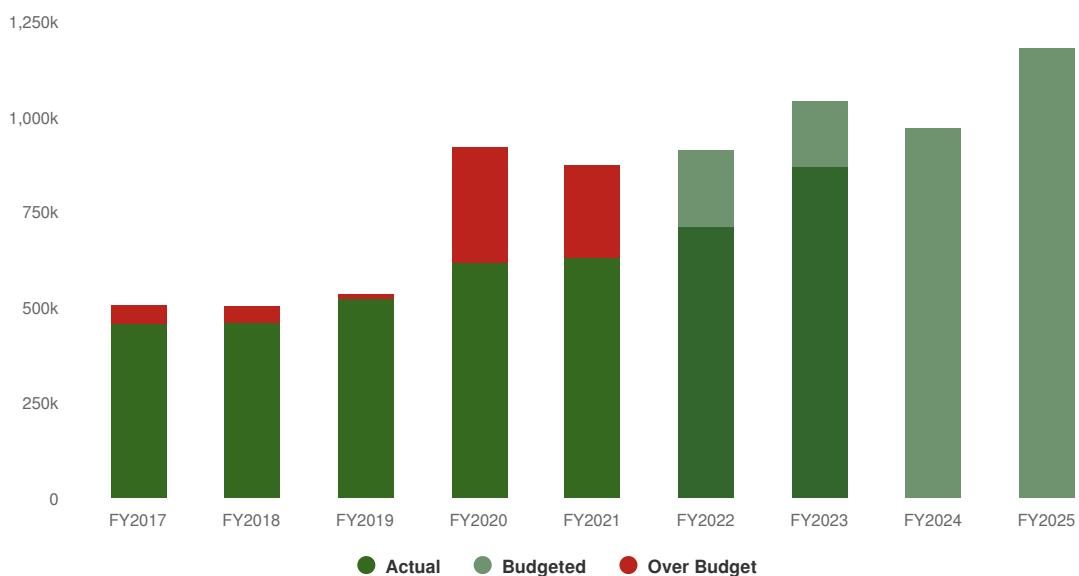
The Facility Division of the Public Works Department provides day-to-day maintenance and repair, modernization, and improvement services including, emergency repairs, deferred maintenance, and tenant improvements to all citywide facilities.

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 Summary

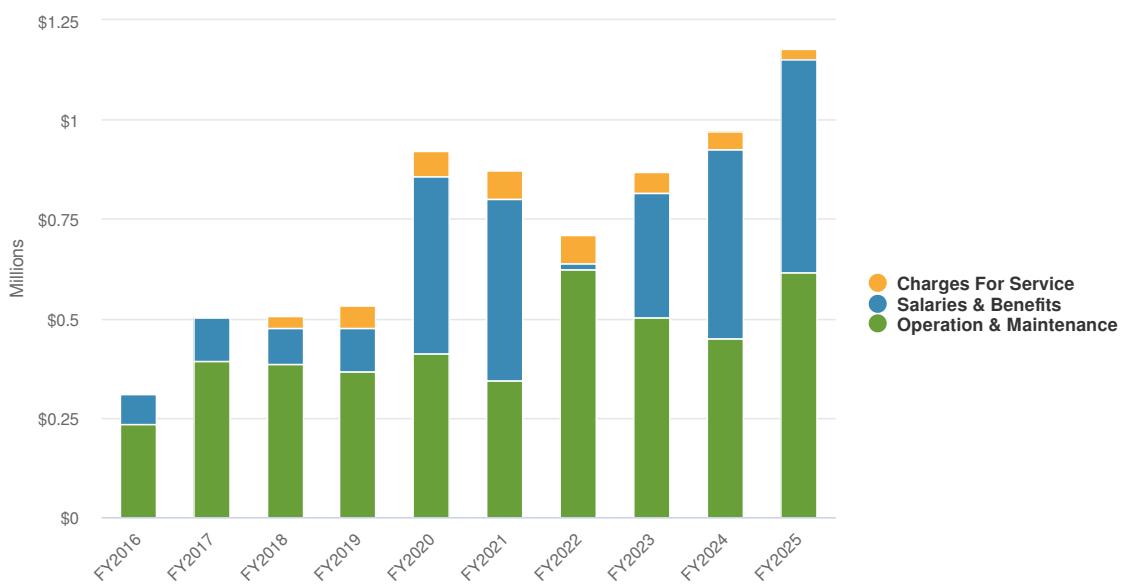
\$1,178,286 \$206,436
(21.24% vs. prior year)

Facility Services Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$17,016.26	\$316,207.18	\$458,420.00	\$537,740.00
Operation & Maintenance	\$622,558.86	\$500,831.75	\$569,270.00	\$614,670.00
Charges For Service	\$71,933.99	\$51,607.86	\$22,620.00	\$25,876.00
Total Expense Objects:	\$711,509.11	\$868,646.79	\$1,050,310.00	\$1,178,286.00



Personnel Allocation

	AUTHORIZED FY23-24	CHANGES	AUTHORIZED FY24-25
Maintenance Worker II	1.00	-	1.00
Maintenance Worker I	2.00	-	2.00
Total	3.00	-	3.00

FY 2023 - 24 Accomplishments

- City Park Memorial
 - First responder memorial
 - Historical Lake Elsinore Main St. granite used for memorial
 - (2) 25foot flag poles and (1) 35foot flag pole
- Fire Station 85 Roof Replacement
 - Roof was outdated, broken tiles, and multiple leaks throughout facility
 - Synthetic underlayment installed
 - Quarrix Composite Roman Tile installed for longevity
- Fire Station 94 Roof Replacement
 - Roof was outdated, broken tiles, and multiple leaks throughout facility
 - Synthetic underlayment installed
 - Quarrix Composite Roman Tile installed for longevity
- Community Center Public Parking Lot Re-pave
 - Parking lot repave due to asphalt unraveling/deterioration
 - Removed planters to increase space between drive through vehicles and parked vehicles
 - Parking lot re-striped
- Neighborhood Center Parking Lot Solar Lighting
 - Solar power parking lights
- Neighborhood Center Concrete Pad/Synthetic Grass Area
 - Removed large rocks, poured concrete pad and synthetic turf
- Neighborhood Center Roof
 - Removed damaged asphalt roll roof
 - Installed high efficient "Thermoplastic Polyolefin Membrane" roof
- Senior Center Roof Replacement
 - Removed delaminated shingle roof
 - Installed synthetic underlayment
 - Installed Quarrix Composite Roman Tile installed for longevity
- Rosetta Canyon Restroom Roof Replacement
 - Clay roof had multiple leaks and broken tiles
 - Installed synthetic underlayment
 - Installed Quarrix Composite Roman Tile installed for longevity
- Rosetta Canyon Office Remodel
 - Rosetta office water damaged from roof leaks
 - Removed cabinets, installed flooring, and painted
- Swick and Matich Snack bar/Patio Cover Remodel, Roof (Under Construction)
 - Snack bar glass blocks and plexiglass discolored and damaged
 - Framed existing glass block windows, insulated, stucco, framed patio cover, and painted
 - Multiple roof tiles damaged, Roof replacement under construction



Enterprise Fund Overview

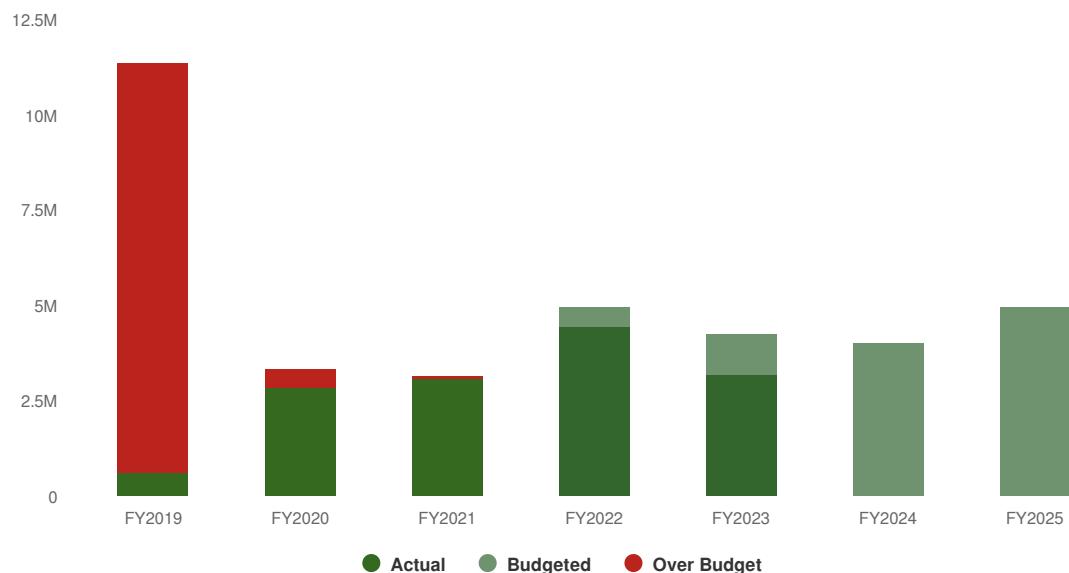
The Enterprise Fund is used to separately account for self-supporting activities that are supported by rates and/or fees. This fund includes Launch Pointe RV Resort. Established to finance and account for the operation and maintenance of facilities and services which are predominately self-supported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

Expenditures Summary

\$4,968,425 **\$960,565**

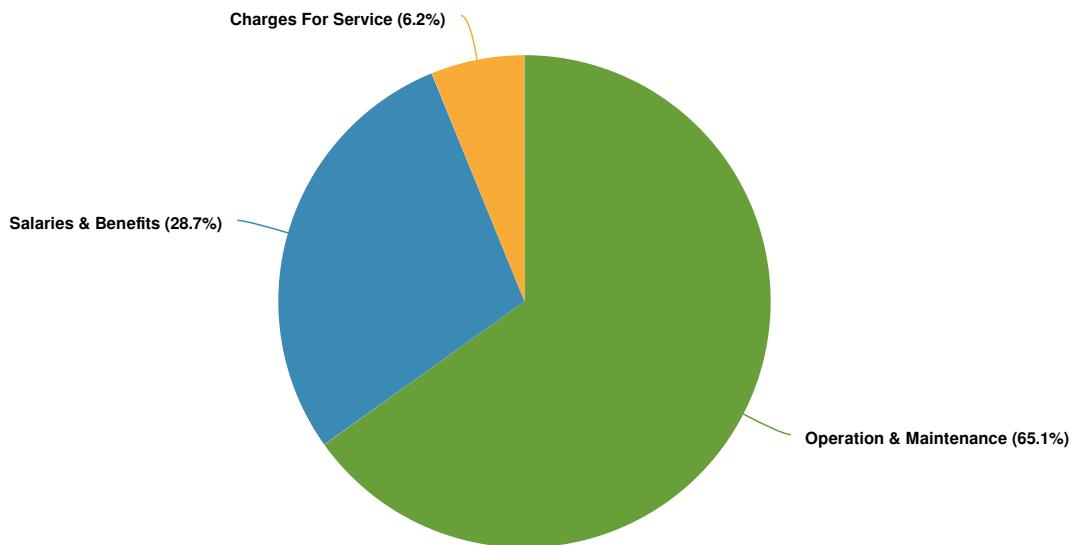
(23.97% vs. prior year)

Enterprise Fund Overview Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



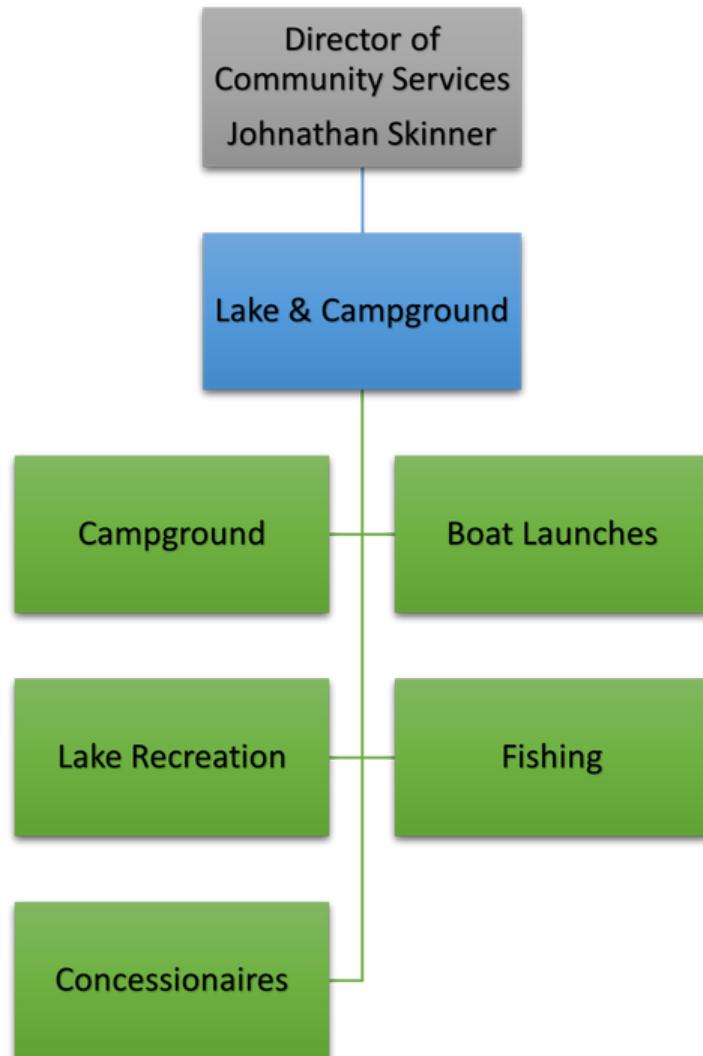
Launch Pointe Resort

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.

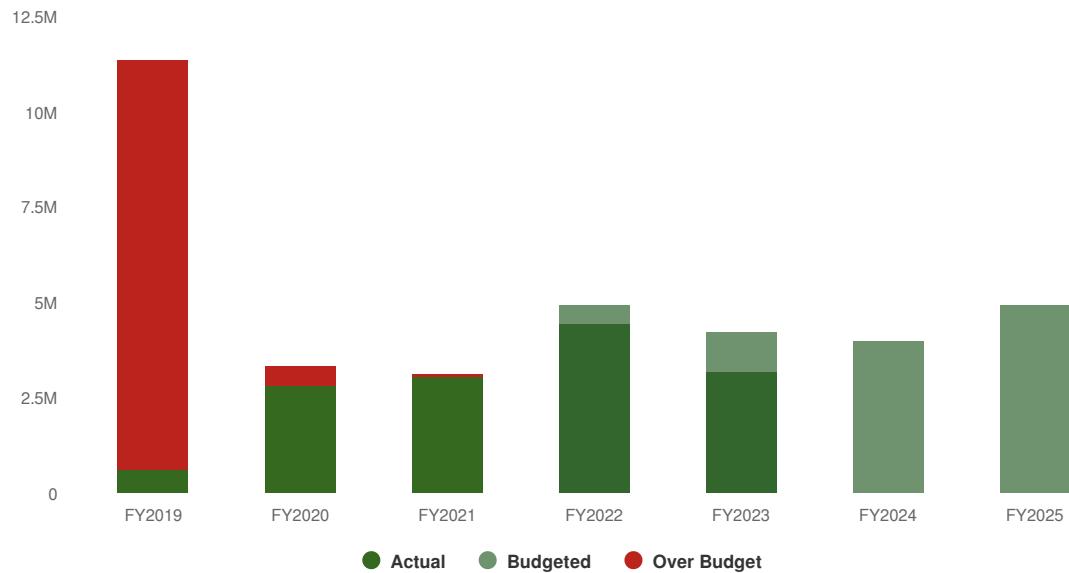
Organizational Chart



Expenditures Summary

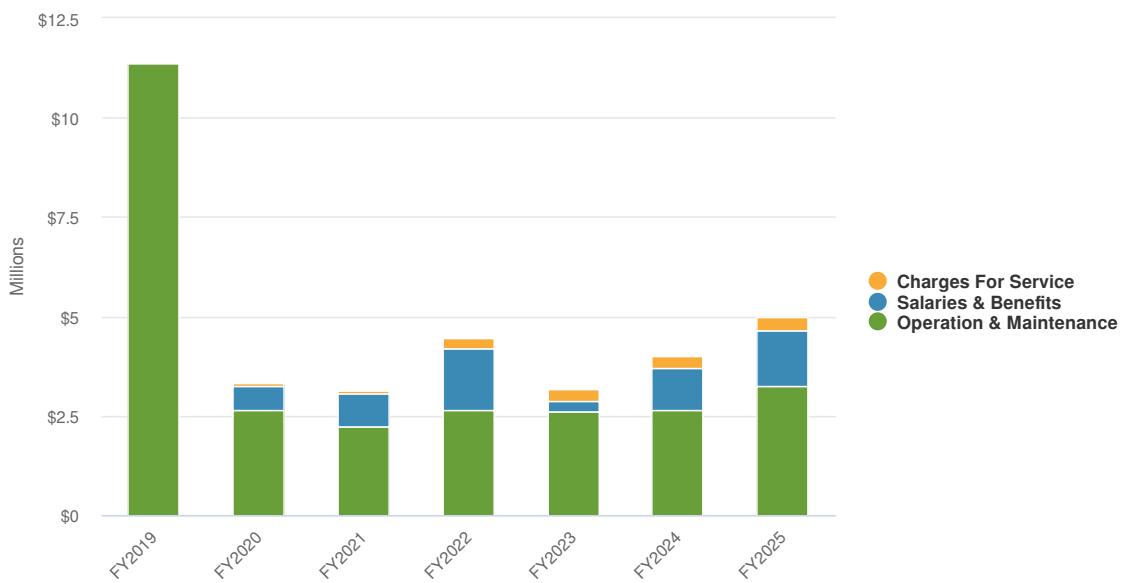
\$4,968,425 **\$960,565**
(23.97% vs. prior year)

Launch Pointe Resort Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



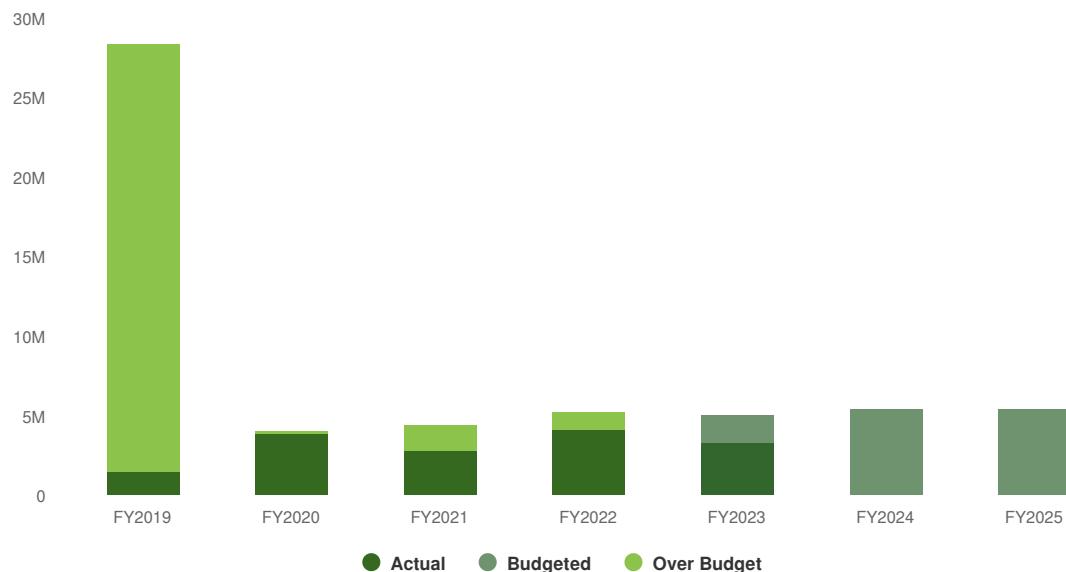
Name	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Budgeted
Expense Objects				
Salaries & Benefits	\$1,519,889.17	\$265,708.40	\$1,210,180.00	\$1,426,695.00
Operation & Maintenance	\$2,657,728.55	\$2,616,821.48	\$2,830,540.00	\$3,235,940.00
Charges For Service	\$277,984.38	\$288,519.74	\$320,040.00	\$305,790.00
Total Expense Objects:	\$4,455,602.10	\$3,171,049.62	\$4,360,760.00	\$4,968,425.00



Revenues Summary

\$5,460,000 **-\$47,000**
(-0.85% vs. prior year)

Launch Pointe Resort Proposed and Historical Budget vs. Actual



Personnel Allocation

	AUTHORIZED FY23-24	CHANGES	AUTHORIZED FY24-25
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	20.25	-	20.25

FY 2023 - 24 Accomplishments

- July 2023, began generating revenue in the General Store
- Organized a successful Kids Fishing Derby with 160 participants
- Created Themed Weekends for 2024
- Created 2024 Activities & Events Calendar
- Replacing all umbrellas in the Community Hall to be a unison beige color to elevate the look for rentals
- Adding more seating and shade areas to Aquaplane Lane and Canopy Court by putting new picnic tables with new umbrellas
- Replaced all bistro tables on RV sites to new picnic tables while also adding ADA picnic tables to each site
- Revised Group Reservation Agreement to better fit the needs of group reservation
- Updated/Revised Group Manifest to an Excel sheet that lists site dimensions and information. That helped wagon masters keep better organization of their group.
- Created Lodging Welcome Videos for guests to view prior to arrival to understand their unit better
- Created QR codes for Lodging Welcome Videos so guests can view them as well when they check into the unit
- Several staff completed The Center for Organizational Effectiveness Supervisor Academy offered by the City of Lake Elsinore and surrounding communities
- Common Sense Events started operations March 2023 (22 booked & successful events for 2023!)
- Removal of ADA elevator, completion of State funded Ramp to Public Beach
- Completion of Log-Pole fencing around Yurt Village
- Restriping of LP, PW install of new Stop signs, delineators, directional arrows at Launch.
- CaliSplash Inflatable Waterpark at LP – Summer fun & a wonderful partnership
- The Bobber on the Lake opened July 2023 – JT Rentals new building at the Launch was completed
- State of the City hosted at LP October 5 – huge undertaking with multiple departments & stakeholders – per Mayor Natasha Johnson (in October 2023) “best state of the city yet!”
- Wheel of Confusion hosted their van rally 11/9 – 11/12 – approx. 100 vans in attendance, TBD total guest count, successful & fun event at 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 (currently the City of Lake Elsinore does not have any active accounts), 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.



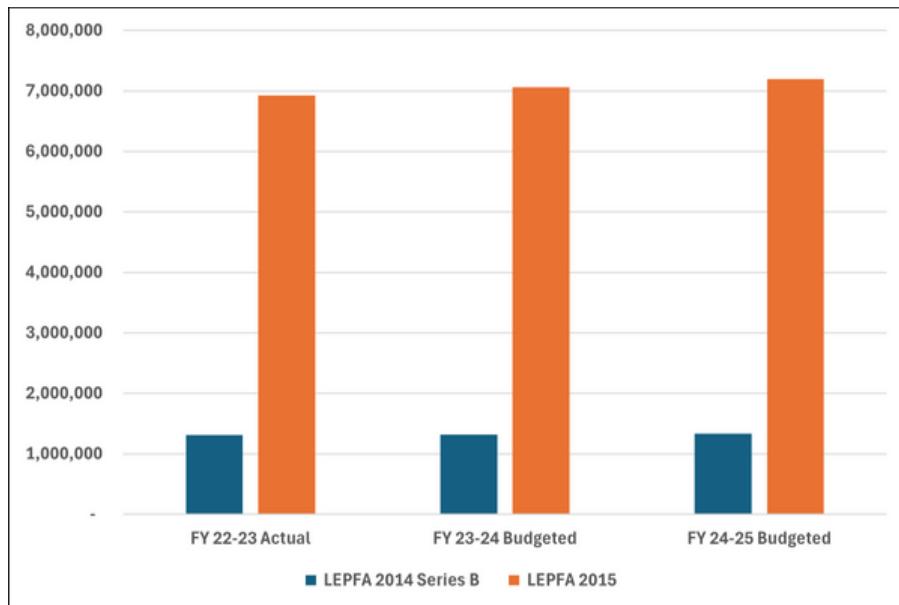
Lake Elsinore Public Finance Authority

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 22-23 Actual	FY23-24 Budgeted	FY24-25 Budgeted	FY23-24 Budgeted vs. FY24-25 Budgeted
LEPFA 2014 Series B	\$ 1,308,563	\$ 1,316,063	\$ 1,331,320	101%
LEPFA 2015	\$ 6,924,209	\$ 7,060,349	\$ 7,197,520	102%
Total	\$ 8,232,772	\$ 8,376,412	\$ 8,528,840	



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.

Currently, the City of Lake Elsinore does not have active accounts within the Lake Elsinore Recreation Authority.



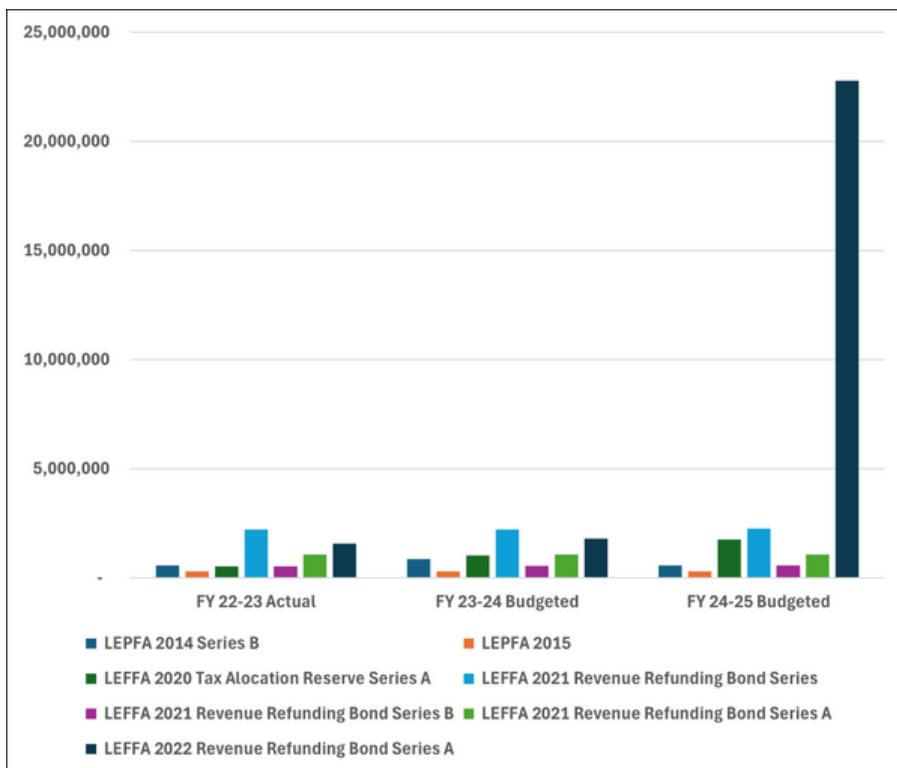
Lake Elsinore Facilities Financing Authority

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 22-23 Actual	FY23-24 Budgeted	FY24-25 Budgeted	FY23-24 Budgeted vs. FY24-25 Budgeted
LEFFA Lease Revenue 2016 Series A	\$ 561,190	\$ 853,025	\$ 865,00	66.2%
LEFFA 2017 Local Obligation Bonds	\$ 289,994	\$ 291,970	\$ 293,550	100.5%
LEFFA 2020 Tax Allocation Reserve Series A	\$518,898	\$1,030,000	\$1,764,600	171.3%
LEFFA 2021 Revenue Refunding Bonds	\$ 2,203,270	\$ 2,213,000	\$ 2,260,000	102.1%
LEFFA 2021 Revenue Refunding Bonds Series A	\$ 1,062,045	\$ 1,073,275	\$ 1,075,000	100.2%
LEFFA 2021 Revenue Refunding Bond Series B	\$ 523,357	\$ 554,100	\$ 575,900	103.9%
LEFFA 2022 Revenue Refunding Bond Series A	\$1,563,243	\$1,798,400	\$22,785,580	1,267.0%
Total	\$ 6,721,997	\$7,813,770	\$29,319,630	



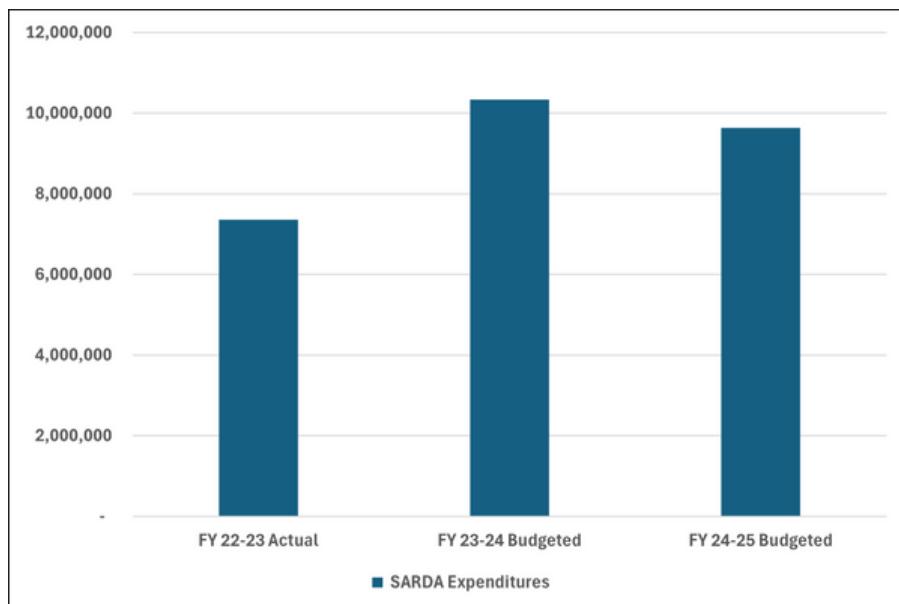
Successor to The Lake Elsinore Redevelopment Agency

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 22-23 Actual	FY23-24 Budgeted	FY24-25 Budgeted	FY23-24 Budgeted vs. FY24-25 Budgeted
SARDA Expenditures	\$7,357,565	\$10,336,180	\$9,636,180	93.2%
Total	\$ 7,357,565	\$10,336,180	\$9,636,180	



CAPITAL IMPROVEMENTS & DEBT



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, ensuring funding, timing, and necessity were appropriately addressed. The CIP City Council workshop held on June 25, 2024, 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 2024-29 CIP identifies a total of 74 projects consisting of 37 Circulation Projects totaling \$445,063,547; 11 Facilities Projects totaling \$131,562,714, 9 Infrastructure Projects totaling \$17,127,332; and 19 Park Projects totaling \$115,065,581. The total cost to complete all the proposed projects is \$708,819,174, of which \$117,810,335 is programmed for FY2024-2025. Also of note, in this document, all projects are completely funded for FY 2024-25.

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 2024-2025 Revenue	Projected 2025-2026 Revenue	Projected 2026-2027 Revenue	Projected 2027-2028 Revenue	Projected 2028-2029 Revenue	Projected Funds Available
Assembly Bill 2766	\$ 116,655	\$72,000	\$73,440	\$74,909	\$76,407	\$77,935	\$491,346
CDBG		1,288,890					1,288,890
<u>Development Impact Fees (DIF)</u>							
Animal Shelter		40,600	41,412	42,240	43,085	43,947	211,284
City Hall/Public Works	72,316	204,000	208,080	212,242	216,486	220,816	1,133,940
Community Center	312,412	104,000	106,080	108,202	110,366	112,573	853,632
Fire Protection	828,879	120,000	122,848	124,848	127,345	129,892	1,453,364
Lake Side Facilities	55,032	165,000	168,300	171,666	175,099	178,601	913,699
Library	883,546	51,000	52,020	53,060	54,122	55,204	1,148,952
Quimby	2,864	128,500	131,070	133,691	136,365	139,093	671,583
Gas Tax	377,446	2,007,248	2,047,393	2,088,341	2,130,108	2,172,710	10,823,245
Geothermal	13,739	300	306	312	318	325	15,300
<u>Grants</u>							
Active Transportation Program		4,364,000					4,364,000
American Rescue Program Act	4,762,435						4,762,435
Building Forward Library Facilities	4,999,724	3,065,730	3,400,000				11,465,454
Community Funding Program		400,000					400,000
Energy Efficiency & Conservation		125,030					125,030
FEMA		120,000	255,000	500,000	500,000		1,375,000
HBP		975,000	21,000,000				21,975,000
HBRRP			2,000,000				2,000,000
HSIP		1,429,680					1,429,680
Measure A	756,373	2,303,000	2,324,000	2,370,000	2,417,000	2,465,000	12,635,373
Measure Z	9,250,026	17,044,000	17,384,880	17,732,578	18,087,229	18,448,974	97,947,686
NPDES	4,802	1,551,150	421,362	429,789	438,385	447,153	3,292,641
<u>Successor Agency</u>							
Affordable Housing	4,245,138	275,000	280,500	286,110	291,832	297,669	5,676,249
Tax Increment		1,463,371					1,463,371
<u>Reimbursements/Other</u>							
Capital Contributions	17,796,382	19,268,672	10,315,888	3,006,756	3,066,891	3,128,229	56,582,818
Developer Agreement	445,134	204,000	208,080	212,242	216,486	220,816	1,506,758
Public In Lieu	1,830,067	100,000	102,000	104,040	106,121	108,243	2,350,471
Public Education Grant	8,223	15,600	15,912	16,230	16,555	16,886	89,406
Storm Drain	3,416,359	260,000	265,200	270,504	275,914	281,432	4,769,409
Summerly Traffic Infrastructure	3,485,332	35,000	35,700	36,414	37,142	37,885	3,667,473
Traffic Impact	171,912	456,000	465,120	474,422	483,911	493,589	2,544,954
Senate Bill 1	1,848,842	1,861,959	1,899,198	1,937,182	1,975,926	2,015,444	11,538,551
Senate Bill 821		150,000					150,000
Transportation Uniform Mitigation (TUMF)		10,000,000	5,800,000	39,000,000	5,500,000		60,300,000
TOTAL REVENUE	\$55,683,638	\$69,648,730	\$69,123,341	69,385,778	\$36,483,094	\$31,092,416	\$331,416,997



FY 2024 - 2025 Annual Capital Projects Itemized

47 Projects Totaling \$91,602,230

Circulation Requests (26 Projects = \$42,778,620)

- **ANNUAL CITYWIDE ASPHALT MAINTENANCE PROGRAM \$1,326,129**
 - This project includes annual crack sealing and street resurfacing services throughout the city.
- **ANNUAL CITYWIDE DIRT ROAD PAVING PROGRAM \$176,655**
 - The purpose of the program is to identify and create a plan to pave dirt roads throughout the City. Some of these roads have become impossible to drive on during weather-related events and need repair.
- **ANNUAL CITYWIDE SIDEWALK SURVEY AND IMPROVEMENTS PROGRAM \$799,008**
 - This is an ongoing annual project for the repair and/or replacement of hazardous curbs, gutters, and sidewalks throughout the city. Funding for the Sidewalk Survey Program. As part of the City's Sidewalk Inspection Program. ALL sidewalks are to be inspected on a yearly basis. Having a contractor perform repair recommendations and a cost analysis for said repairs would identify the potential hazards citywide. The survey will better serve staff when identifying areas for the concrete contractor.
- **ANNUAL CITYWIDE SIGN INVENTORY \$215,000**
 - Check reflectivity and inventory/GIS on all Citywide Street signs. Street signs throughout the City have become faded and many of the metal support poles have failed or are near failure and need replacement. Federal regulations require that signs be replaced when reflectivity has faded.
- **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 \$770,000**
 - 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 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 \$260,000**
 - 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 5 years instead of 1 to 2 years with regular striping paint.
- **AUTO CENTER DRIVE BRIDGE SEISMIC RETROFIT \$730,000**
 - This project includes the seismic retrofit of the bridge over the San Jacinto River at Auto Center Drive.
- **BROADWAY TRACT PAVING \$2,001,200**
 - Paving rehabilitation for the Broadway Tract neighborhood. The limits are Grand Avenue, Lakeshore Drive, Laurelwood Lane and St. Clair Ave.
- **EAST LAKE CIRCULATION \$3,520,332**
 - Construct a four (4) lane road to provide access and circulation for the East Lake Specific Plan and Diamond Specific Plan.
- **GUNNERSON ST RIVERSIDE DR INTERSECTION TRAFFIC SIGNAL IMPROVEMENT \$31,000**
 - 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 11) \$325,000**
 - Install Solar-Powered Rectangular Rapid Flashing Beacon (RRFB) systems at existing pedestrian crossings at various locations throughout the City.
- **HIGHWAY SAFETY IMPROVEMENTS (HSIP CYCLE 9) \$1,584,697**
 - 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 \$600,000**
 - Landscape Improvements throughout the Main Street Interchange.
- **I-15 NICHOLS ROAD INTERCHANGE \$3,005,000**
 - 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 STATE ROUTE 74 INTERCHANGE \$4,000,000**
 - 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 Camburn Avenue from six (6) to eight (8) lanes; and construction of the Riverside Drive overcrossing and road extensions.
- **LAKESHORE DRIVE SIDEWALK IMPROVEMENTS SB-821 \$1,036,500**
 - Construct an ADA-compliant sidewalk, curb, gutter and curb ramps on Lakeshore Drive to Herbert. The work will include minor grading behind the pavement, and installation of curb, gutter, sidewalk and ramps.
- **MAIN STREET PAVEMENT REHABILITATION, PED SAFETY AND IT INFRASTRUCTURE \$7,936,980**
 - Project scope consists of pavement rehabilitation from Lakeshore Drive to the I-15 Freeway. The scope also includes pedestrian safety crosswalk improvements at Library Street and at City Hall crossing. The project includes Information Technology infrastructure throughout Main Street and other side roads for the purpose of future installation of data and power wiring. The project also includes aesthetic improvements to crosswalks and intersections along Main Streets in addition to installation of ADA Ramps.
- **MOUNTAIN & AVOCADO WAY TRACT PAVING REHABILITATION (ADJACENT TO RUNNING DEER) \$1,550,000**
 - Project Improvements include grind and overlay of existing residential neighborhood around Mountain Street. Restriping and minor road and surface drainage where needed.
- **RAILROAD CANYON ROAD SAFETY IMPROVEMENTS PROJECT \$561,250**
 - 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.
- **SPRING STREET SIDEWALK PROJECT \$380,000**
 - Installation of curb, sidewalk and ADA ramps on Limited to Lakeshore on both sides.
- **SUMMERHILL DRIVE EXTENSION \$5,479,900**
 - Summerhill Drive will be extended north to Greenwald Avenue per the General Plan with two (2) lanes in each direction along its entire length and a painted median.
- **TEMESCAL CANYON BRIDGE REPLACEMENT & ROAD WIDENING PHASE I \$975,000**
 - 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 \$801,969**
 - 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.

Infrastructure Requests (8 Projects = \$10,610,179)

- **AVENUES MASTER DRAINAGE PLAN STORM DRAIN \$2,600,000**
 - The Project will construct Master Drainage Plan Lines between Mill Street and Lakeshore Drive in the Avenues neighborhood to mitigate the risk of flooding.
- **CAMINO DEL NORTE SEWER EXTENSION \$886,406**
 - Installation of an 8" sewer from Main Street to future Elsinore Hills Road.
- **COLLIER AVENUE CULVERT DRAINAGE IMPROVEMENTS \$262,017**



- 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.
- **ELECTRIC VEHICLE CHARGING STATIONS \$125,030**
 - Installation of electric vehicle charging stations at Library Street Parking Lot.
- **MURRIETA CREEK REGIONAL TRAIL CONNECTION \$6,110,000**
 - 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 DRAINAGE \$356,726**
 - Project will construct a storage basin, submersible pump and a storm drain force main to alleviate flooding in the area
- **RICE CANYON REVETMENT \$120,000**
 - The project will provide rock slope protection that would tie into the high ground southwest of Dale Court and continue along the right bank of Rice Canyon watercourse as it travels northeast behind homes serviced by Dale Court. The slope protection would tie into the revetment project along Lincoln Street extension adjacent to the future Running Deer community.
- **STORM DRAIN CATCH BASIN INLET FILTER INSTALLATION \$150,000**
 - Install MS4 inlet filters to comply with the mandate of the MS4 permit system.

Parks Requests (7 Projects = \$3,514,552)

- **CITY PARK IMPROVEMENTS \$860,020**
 - This project will include approx. 2,100 feet of ADA compliant sidewalk from the Library Street Parking Lot through City Park all the way to Main St and Graham St. Some of these sidewalks will need new curb, gutter and ramping at roadway intersection. Included in this project will be the design and construction of approx. 75 new parking spaces in a new parking lot area connected to City Park. The parking lot will incorporate underground electrical conduits for electric vehicle charging stations at many of the new parking spaces. Within the existing park, an outdoor live entertainment area will be developed to support special events that are commonly held at the park. This entertainment area will be designed to accommodate small venues of several hundred people and cater to local talent and interests for family enjoyment. Park amenities will be expanded to include restroom facilities, security systems, LED directional and focused lighting and data/communication elements connected to Main St. Water and electrical surface outlets will be installed in areas of the park designated for vendor setup. The project's remaining elements include removal of large dangerous eucalyptus trees and the installation of drought tolerant landscaping and hardscapes throughout. Security fencing will be installed to separate neighboring properties and to assist with directing pedestrian traffic to Main St.
- **CITYWIDE PARK IMPROVEMENTS \$453,000**
 - 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 BBG 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.
- **CITYWIDE PARKS INFORMATION TECHNOLOGY UPGRADES \$60,000**
 - Installation of modern surveillance systems to deter criminal activities, protect park assets, and enhance the overall park experience for residents and visitors. The following parks encompass this project: Alberhill Ranch Community, Canyon Hills Community, Christensen Community, City, Lakepoint, Lincoln Street, Machado, McVicker Canyon, Oak Tree, Riverwalk, Rosetta Canyon Community, Serenity, Summerhill, Summerly Community, Swick & Matich, Tuscany Hills, and Yarborough Park.
- **SPECIAL NEEDS MULTI-SPORT PARK \$1,000,000**
 - The proposed project is a capital improvement initiative that seeks to renovate Christensen Park into a special needs multi-sport park. The park will be transformed into an inclusive and universally accessible environment that caters to local champion league participants as well as visitors from neighboring regions and will be based on the standards set forth by Miracle League, and international non-profit that promotes special needs baseball.
 - 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 artificial turf fields 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 \$871,500**
 - 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 Matich, or other location.
- **THE RESERVE AT LAUNCH POINTE \$220,032**
 - 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 \$50,000**
 - 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.

Facilities Requests (6 Projects = \$34,698,879)

- **AMPHITHEATER \$3,900,000**
 - An outdoor amphitheater with tiered lawn seating, stage, picnic area, and a children's play area.
- **BUILDING FACILITIES RENOVATIONS \$450,000**
 - 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.
- **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 \$9,000,000**
 - This project includes the design and construction of a new City Library for the residents of Lake Elsinore.
- **FIRE STATION \$948,879**
 - Build an additional Fire Station to serve Lake Elsinore.
- **LAKE COMMUNITY CENTER KITCHEN \$400,000**
 - This project will include the remodeling of over 500 square feet of the existing kitchen and pantry area. The primary remodel elements will include updating the existing area to ADA standards. All the kitchen appliances will be replaced. The countertop, flooring, and wall covering are not in compliance with current health and safety codes and will be reconstructed to satisfy these requirements. Exterior windows will be replaced with conforming Title 24 windows.



Project Summary by Type

Project	Total Project Cost	Actuals To Date	FY24-25	Future Years	Cost To Complete
<u>Circulation</u>					
Annual Citywide Programs -					
Asphalt Maintenance Program					
Measure A	328,000	-	328,000	-	-
Measure Z	885,992	-	885,992	-	-
Gas Tax	112,137	-	112,137	-	-
Unspecified	8,773,871	-	-	8,773,871	-
Asphalt Maintenance Program - Total	\$ 10,100,000	\$ -	\$ 1,326,129	\$ 8,773,871	\$ 10,100,000
Dirt Road Paving					
AQMD	176,655	-	176,655	-	-
Unspecified	2,498,345	-	-	2,498,345	-
Dirt Road Paving - Total	\$ 2,675,000	\$ -	\$ 176,655	\$ 2,498,345	\$ 2,675,000
Citywide Traffic Improvements					
TIF	201,000	-	201,000	-	-
Unspecified	804,000	-	-	804,000	-
Citywide Traffic Improvements - Total	\$ 1,005,000	\$ -	\$ 201,000	\$ 804,000	\$ 1,005,000
Landscape Renovation					
Unspecified	12,050,000	-	-	12,050,000	-
Landscape Renovation - Total	\$ 12,050,000	\$ -	\$ -	\$ 12,050,000	\$ 12,050,000
Sidewalk Improvements					
Unspecified	1,580,000	-	-	1,580,000	-
Sidewalk Improvements - Total	\$ 1,580,000	\$ -	\$ -	\$ 1,580,000	\$ 1,580,000
Sign Inventory					
TIF	215,000	-	215,000	-	-
Unspecified	860,000	-	-	860,000	-
Sign Inventory - Total	\$ 1,075,000	\$ -	\$ 215,000	\$ 860,000	\$ 1,075,000
Slurry Seal					
Measure A	502,000	-	502,000	-	-
Unspecified	2,162,200	-	-	2,162,200	-
Slurry Seal - Total	\$ 2,664,200	\$ -	\$ 502,000	\$ 2,162,200	\$ 2,664,200
Surface & Minor Drainage Improvements					
NPDES	770,000	-	770,000	-	-
Unspecified	3,080,000	-	-	3,080,000	-
Surface & Minor Drainage Improvements - Total	\$ 3,850,000	\$ -	\$ 770,000	\$ 3,080,000	\$ 3,850,000
Sidewalk Survey & Improvements					
Measure A	\$ 799,008	-	799,008	-	-
Unspecified	\$ 5,835,992	-	-	5,835,992	-
Sidewalk Survey & Improvements - Total	\$ 6,635,000	\$ -	\$ 799,008	\$ 5,835,992	\$ 6,635,000



Traffic Striping					
Measure A	260,000	-	260,000	-	
Unspecified	1,040,000	-	-	1,040,000	
Traffic Striping - Total	\$ 1,300,000	\$ -	\$ 260,000	\$ 1,040,000	\$ 1,300,000
Auto Center Drive Bridge Retrofit					
Measure Z	730,000	-	730,000	-	
Unspecified	4,726,854	679,854	-	4,047,000	
Auto Center Drive Bridge Retrofit - Total	\$ 5,456,854	\$ 679,854	\$ 730,000	\$ 4,047,000	\$ 4,777,000
Broadway Tract Paving					
Measure Z	140,852	-	140,852	-	
SB1	1,700,751	-	1,700,751	-	
Gas Tax	159,597	-	159,597	-	
Broadway Tract Paving - Total	\$ 2,001,200	\$ -	\$ 2,001,200	\$ -	\$ 2,001,200
Downtown Main Street Parking & Landscape					
Unspecified	6,135,650	135,650	-	6,000,000	
Downtown Main Street Parking & Landscape - Total	\$ 6,135,650	\$ 135,650	\$ -	\$ 6,000,000	\$ 6,000,000
East Lake					
STIF	3,520,332	-	3,520,332	-	
Unspecified	6,668,353	-	-	6,668,353	
East Lake - Total	\$ 10,188,685	\$ -	\$ 3,520,332	\$ 6,668,353	\$ 10,188,685
Gunnerson St Riverside Dr Traffic Signal					
Measure Z	31,000	-	31,000	-	
Unspecified	1,053,074	43,074	-	1,010,000	
Gunnerson St Riverside Dr Traffic Signal - Total	\$ 1,084,074	\$ 43,074	\$ 31,000	\$ 1,010,000	\$ 1,041,000
Highway Safety Improvements (HSIP) 9					
Measure Z	168,105	-	168,105	-	
TIF	211,912	-	211,912	-	
Capital Improvement	1,204,680	-	1,204,680	-	
Unspecified	1,021,874	1,021,874	-	-	
Highway Safety Improvements (HSIP) 9 Total	\$ 2,606,571	\$ 1,021,874	\$ 1,584,697	\$ -	\$ 1,584,697
Highway Safety Improvements (HSIP) 11					
Measure Z	100,000	-	100,000	-	
Capital Improvement	225,000	-	225,000	-	
Highway Safety Improvements (HSIP) 11 Total	\$ 325,000	\$ -	\$ 325,000	\$ -	\$ 325,000
I-15 Franklin Street Interchange					
Measure Z	1,010,000	-	1,010,000	-	
TUMF	3,000,000	-	3,000,000	-	
Unspecified	97,022,113	2,113	-	97,020,000	
I-15 Franklin Street Interchange - Total	\$ 101,032,113	\$ 2,113	\$ 4,010,000	\$ 97,020,000	\$ 101,030,000



I-15 Main Street Interchange Landscape

Measure Z	600,000	-	600,000	-
Unspecified	107,307	107,307	-	-
I-15 Main Street Interchange Landscape - Total	\$ 707,307	\$ 107,307	\$ 600,000	\$ -

I-15/Nichols Road Interchange

Measure Z	5,000	-	5,000	-
TUMF	3,000,000	-	3,000,000	-
Unspecified	40,176,849	676,849	-	39,500,000
I-15/Nichols Road Interchange - Total	\$ 43,181,849	\$ 676,849	\$ 3,005,000	\$ 39,500,000

I-15/State Route 74 Interchange

TUMF	4,000,000	-	4,000,000	-
Unspecified	43,817,834	2,517,834	-	41,300,000
I-15/State Route 74 Interchange - Total	\$ 47,817,834	\$ 2,517,834	\$ 4,000,000	\$ 41,300,000

La Strada Extension

Unspecified	28,363,599	253,404	-	28,110,195
La Strada Extension - Total	\$ 28,363,599	\$ 253,404	\$ -	\$ 28,110,195

Lake Street Widening

Unspecified	36,068,909	-	-	36,068,909
Lake Street Widening - Total Cost	\$ 36,068,909	\$ -	\$ -	\$ 36,068,909

Lakeshore/Machado Sidewalk - SB 821

Measure Z	457,630	-	457,630	-
SB821	150,000	-	150,000	-
CDBG	428,870	-	428,870	-
Unspecified	64,549	64,549	-	-
Lakeshore/Machado Sidewalk - SB 821-Total	\$ 1,101,049	\$ 64,549	\$ 1,036,500	\$ -

Main Street Pedestrian Safety & IT

Measure Z	2,433,031	-	2,433,031	-
American Rescue Plan	2,550,510	-	2,550,510	-
SB1	1,100,000	-	1,100,000	-
Measure A	672,000	-	672,000	-
PEG	23,823	-	23,823	-
Storm Drain	757,616	-	757,616	-
Capital Improvement	400,000	-	400,000	-
Unspecified	280,117	280,117	-	-
Lakeshore/Machado Sidewalk - SB 821-Total	\$ 8,217,097	\$ 280,117	\$ 7,936,980	\$ -

Mountain & Avocado Way Tract Paving

Measure Z	148,990	-	148,990	-
SB821	910,050	-	910,050	-
Gas Tax	490,960	-	490,960	-
Unspecified	13,377	13,377	-	-
Mountain & Avocado Way Tract Paving - Total	\$ 1,563,377	\$ 13,377	\$ 1,550,000	\$ -



Nichols Road Improvements					
Unspecified	21,805,591	-	-	21,805,591	
Nichols Road Improvements - Total	\$ 21,805,591	\$ -	\$ -	\$ 21,805,591	\$ 21,805,591
 Railroad Canyon Road Safety					
Measure Z	561,250	-	561,250	-	
Unspecified	3,173,400	-	-	3,173,400	
Railroad Canyon Road Safety - Total	\$ 3,734,650	\$ -	\$ 561,250	\$ 3,173,400	\$ 3,734,650
 SB1 Pavement Project FY25-26					
Unspecified	1,332,387	-	-	1,332,387	
SB1 Pavement Project FY25-26 - Total	\$ 1,332,387	\$ -	\$ -	\$ 1,332,387	\$ 1,332,387
 SB1 Pavement Project FY26-27					
Unspecified	1,332,387	-	-	1,332,387	
SB1 Pavement Project FY26-27 - Total	\$ 1,332,387	\$ -	\$ -	\$ 1,332,387	\$ 1,332,387
 SB1 Pavement Project FY27-28					
Unspecified	1,332,387	-	-	1,332,387	
SB1 Pavement Project FY27-28 - Total	\$ 1,332,387	\$ -	\$ -	\$ 1,332,387	\$ 1,332,387
 Spring Street Sidewalk					
Measure Z	380,000	-	380,000	-	
Spring Street Sidewalk - Total	\$ 380,000	\$ -	\$ 380,000	\$ -	\$ 380,000
 State Route 74 Widening					
Unspecified	11,550,000	-	-	11,550,000	
State Route 74 Widening - Total	\$ 11,550,000	\$ -	\$ -	\$ 11,550,000	\$ 11,550,000
 Street Lighting Master Plan					
Unspecified	1,705,955	-	-	1,705,955	
Street Lighting Master Plan - Total	\$ 1,705,955	\$ -	\$ -	\$ 1,705,955	\$ 1,705,955
 Summerhill Drive Extension					
Capital Improvement	5,479,900	-	5,479,900	-	
Unspecified	28,178,930	658,830	-	27,520,100	
Summerhill Drive Extension - Total	\$ 33,658,830	\$ 658,830	\$ 5,479,900	\$ 27,520,100	\$ 33,000,000
 Temescal Canyon Road - Bridge-Road					
Capital Improvement	975,000	-	975,000	-	
Unspecified	23,811,459	2,811,459	-	21,000,000	
Temescal Canyon Road - Bridge-Road Total	\$ 24,786,459	\$ 2,811,459	\$ 975,000	\$ 21,000,000	\$ 21,975,000
 Terra Cotta Road Improvement					
Measure Z	801,969	-	801,969	-	
Unspecified	3,857,564	339,533	-	3,518,031	
Terra Cotta Road Improvement - Total	\$ 4,659,533	\$ 339,533	\$ 801,969	\$ 3,518,031	\$ 4,320,000
 Total Circulation Projects	\$ 445,063,547	\$ 9,605,824	\$ 42,778,620	\$ 392,679,103	\$ 435,457,723



Facilities

Amphitheater

Measure Z	2,574,481	-	2,574,481	-
American Rescue Plan	1,325,519	-	1,325,519	-
Amphitheater - Total	\$ 3,900,000	\$ -	\$ 3,900,000	\$ -

Aquatics Center

Unspecified	40,000,000	-	-	40,000,000
Aquatics Center - Total	\$ 40,000,000	\$ -	\$ -	\$ 40,000,000

Building Facilities Renovations

Capital Improvement	450,000	-	450,000	-
Unspecified	10,235,000	-	-	10,235,000
Building Facilities Renovations - Total	\$ 10,685,000	\$ -	\$ 450,000	\$ 10,235,000

City Hall

City Hall Dif	276,316	-	276,316	-
Capital Improvement	19,723,684	-	19,723,684	-
Unspecified	11,584,053	4,684,053	-	6,900,000
City Hall - Total	\$ 31,584,053	\$ 4,684,053	\$ 20,000,000	\$ 6,900,000

City Library

Library Dif	934,546	-	934,546	-
Capital Improvement	8,065,454	-	8,065,454	-
Unspecified	4,559,631	1,059,631	-	3,500,000
City Library - Total	\$ 13,559,631	\$ 1,059,631	\$ 9,000,000	\$ 3,500,000

Citywide Facilities IT Upgrades

Capital Improvement	-	-	-	-
Unspecified	-	-	-	1,600,000
Citywide Facilities IT Upgrades - Total	\$ 1,600,000	\$ -	\$ -	\$ 1,600,000

Community Center

Unspecified	16,334,030	-	-	16,334,030
Community Center - Total	\$ 16,334,030	\$ -	\$ -	\$ 16,334,030

Facility ADA Improvements

Capital Improvement	-	-	-	-
Unspecified	-	-	-	1,500,000
Facility ADA Improvements - Total	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000

Fire Station (Mission Trail)

Fire Protection Dif	948,879	-	948,879	-
Unspecified	11,051,121	-	-	11,051,121
Fire Station (Mission Trail) - Total	\$ 12,000,000	\$ -	\$ 948,879	\$ 11,051,121



Lake Community Center Kitchen

Community Center Dif		400,000		
Lake Community Center Kitchen - Total	\$ 400,000	\$ -	\$ 400,000	\$ -
Total Facilities Projects	\$ 131,562,714	\$ 5,743,684	\$ 34,698,879	\$ 91,120,151

Infrastructure**Avenues Drainage Improvements**

Storm Drainage	2,600,000	-	2,600,000	-
Unspecified	165,384	165,384	-	-
Avenues Drainage Improvements - Total	\$ 2,765,384	\$ 165,384	\$ 2,600,000	\$ -

Camino Del Norte

American Rescue Plan	886,406	-	886,406	-
Unspecified	104,421	104,421	-	-
Camino Del Norte - Total	\$ 990,827	\$ 104,421	\$ 886,406	\$ -

Collier Avenue Drainage Improvements

Storm Drainage	600,000	-	262,017	337,983
Collier Avenue Drainage Improvements - Total	\$ 600,000	\$ -	\$ 262,017	\$ 337,983

Electric Vehicle Charging Stations

Grant	125,030	-	125,030	-
Electric Vehicle Charging Stations - Total	\$ 125,030	\$ -	\$ 125,030	\$ -

Murrieta Regional Creek Trail Connection

DAG	649,134	-	649,134	-
Grant	4,364,000	-	4,364,000	-
Measure Z	1,096,866	-	1,096,866	-
Unspecified	1,048,272	1,048,272	-	-
Murrieta Regional Creek Trail Connection - Total	\$ 7,158,272	\$ 1,048,272	\$ 6,110,000	\$ -

Pope Circle Improvements

NPDES	300,000	-	300,000	-
Storm Drainage	56,726	-	56,726	-
Unspecified	247,045	23,771	-	223,274
Pope Circle Improvements - Total	\$ 603,771	\$ 23,771	\$ 356,726	\$ 223,274

Rice Canyon

Capital Improvement	120,000	-	120,000	-
Unspecified	2,380,000	-	-	2,380,000
Rice Canyon - Total	\$ 2,500,000	\$ -	\$ 120,000	\$ 2,380,000

Storm Drain Inlet Filter Installation

NPDES	150,000	-	150,000	-
Unspecified	600,000	-	-	600,000
Storm Drain Inlet Filter Installation - Total	\$ 750,000	\$ -	\$ 150,000	\$ 600,000



Third Street Drainage Improvement

Unspecified	1,634,048	-	-	1,634,048	
Third Street Drainage Improvement	\$ 1,634,048	\$ -	\$ -	\$ 1,634,048	\$ 1,634,048
Total Infrastructure Projects	\$ 17,127,332	\$ 1,341,848	\$ 10,610,179	\$ 5,175,305	\$ 15,785,484

Parks**Alberhill Village Sports Park**

Unspecified	45,000,000	-	-	45,000,000	
Alberhill Village Sports Park - Total	\$ 45,000,000	\$ -	\$ -	\$ 45,000,000	\$ 45,000,000

Aquatic Ecosystem Restoration

Unspecified	1,375,000	-	-	1,375,000	
Aquatic Ecosystem Restoration - Total	\$ 1,375,000	\$ -	\$ -	\$ 1,375,000	\$ 1,375,000

Canyon Hills Park Upgrades

Unspecified	5,558,293	5,076,093	-	482,200	
Canyon Hills Park Upgrades - Total	\$ 5,558,293	\$ 5,076,093	\$ -	\$ 482,200	\$ 482,200

City Park Improvement

Community Development Block Grant	860,020	-	860,020	-	
Unspecified	70,225	70,225	-	-	
City Park Improvement - Total	\$ 930,245	\$ 70,225	\$ 860,020	\$ -	\$ 860,020

Citywide Park Improvement

Capital Improvement	321,636	-	321,636	-	
Quimby	131,364	-	131,364	-	
Unspecified	19,770,774	6,616,974	-	13,153,800	
Citywide Park Improvement - Total	\$ 20,223,774	\$ 6,616,974	\$ 453,000	\$ 13,153,800	\$ 13,606,800

Citywide Park IT Improvements

Measure Z	60,000	-	60,000	-	
Unspecified	240,000	-	-	240,000	
Citywide Park IT Improvements - Total	\$ 300,000	\$ -	\$ 60,000	\$ 240,000	\$ 300,000

Dock Extension

Unspecified	1,360,000	-	-	1,360,000	
Dock Extension - Total	\$ 1,360,000	\$ -	\$ -	\$ 1,360,000	\$ 1,360,000

Lake Improvements

Unspecified	950,000	-	-	950,000	
Lake Improvements - Total	\$ 950,000	\$ -	\$ -	\$ 950,000	\$ 950,000

Launch Pointe Amenity Improvements

Unspecified	908,788	28,788	-	880,000	
Launch Pointe Amenity Improvements - Total	\$ 908,788	\$ 28,788	\$ -	\$ 880,000	\$ 880,000



Serenity Park Improvement

Unspecified	8,077,488	1,777,488	-	6,300,000	
Serenity Park Improvement - Total	\$ 8,077,488	\$ 1,777,488	\$ -	\$ 6,300,000	\$ 6,300,000

Snack Bar Improvements

Unspecified	400,000	-	-	400,000	
Snack Bar Improvements - Total	\$ 400,000	\$ -	\$ -	\$ 400,000	\$ 400,000

Special Needs Multi-Sport Park

Measure Z	1,000,000	-	1,000,000	-	
Unspecified	5,000,000	-	-	5,000,000	
Special Needs Multi-Sport Park - Total	\$ 6,000,000	\$ -	\$ 1,000,000	\$ 5,000,000	\$ 6,000,000

Splash Pads

Unspecified	2,050,000	-	-	2,050,000	
Splash Pads - Total	\$ 2,050,000	\$ -	\$ -	\$ 2,050,000	\$ 2,050,000

Soccer Complex

Unspecified	6,350,000	-	-	6,350,000	
Soccer Complex - Total	\$ 6,350,000	\$ -	\$ -	\$ 6,350,000	\$ 6,350,000

Sportsplex

Measure Z	871,500	-	871,500	-	
Unspecified	9,128,500	-	-	9,128,500	
Sportsplex - Total	\$ 10,000,000	\$ -	\$ 871,500	\$ 9,128,500	\$ 10,000,000

Summerly Park Improvements

Unspecified	1,515,010	415,010	-	1,100,000	
Summerly Park Improvements - Total	\$ 1,515,010	\$ 415,010	\$ -	\$ 1,100,000	\$ 1,100,000

The Reserve At Launch Pointe

Lakeside Facilities Dif	220,032	-	220,032	-	
Unspecified	2,786,368	1,400	-	2,784,968	
The Reserve At Launch Pointe - Total	\$ 3,006,400	\$ 1,400	\$ 220,032	\$ 2,784,968	\$ 3,005,000

Tuscany Hills Park Renovation

Capital Improvement	50,000	-	50,000	-	
Unspecified	1,010,583	860,583	-	150,000	
Tuscany Hills Park Renovation - Total	\$ 1,060,583	\$ 860,583	\$ 50,000	\$ 150,000	\$ 200,000

Total Parks Projects **\$ 115,065,581** **\$ 14,846,561** **\$ 3,514,552** **\$ 96,704,468** **\$ 100,219,020**

TOTALS **\$ 708,819,174** **\$ 31,537,917** **\$ 91,602,230** **\$ 585,679,027** **\$ 677,281,257**



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	\$13,860,000	\$5,264,331	9/1/2040	A
2015	PFA	Local Agency Revenue Bond	\$73,435,000	\$30,196,875	9/1/2040	A
2017	LEFFA	Local Agency Revenue Bond	\$4,175,000	\$1,817,478	9/1/2044	A
2019	PFA	Local Agency Revenue Refunding Bond Series A	\$5,980,000	\$1,180,452	9/1/2036	A
2021	LEFFA	Local Agency Revenue Refunding Bond Series A	\$30,790,000	\$8,764,537	9/1/2044	A
2021	LEFFA	Local Agency Revenue Bonds Series B	\$10,155,000	\$5,950,100	9/1/2047	A
2015	SARDA	Tax Allocation Bonds	\$3,065,000	\$622,809	9/1/2038	A
2018	SARDA	Tax Allocation Bonds Series A	\$1,770,000	\$440,063	9/1/2047	A
2018	SARDA	Tax Allocation Bonds Series B	\$5,630,000	\$1,571,494	9/1/2047	A
2020	LEFFA	Tax Allocation Bonds Series A	\$12,875,000	\$1,935,100	9/1/2030	A
2016	LEFFA	Lease Revenue Bonds Series A	\$8,560,000	\$3,725,719	4/1/2046	A
2021	LEFFA	Lease Revenue Bonds Series A	\$7,875,000	\$604,862	2/1/2032	A
2022	LEFFA	Lease Revenue Bonds Series A	\$22,695,000	\$19,227,825	4/1/2052	A
2014	TRIP	Certificate of Participation Series A	\$5,490,000	\$1,979,363	6/1/2039	A
2019	SARDA	Subordinated Tax Allocation Bonds Series A	\$8,235,000	\$2,828,375	9/1/2033	A
2019	SARDA	Subordinated Tax Allocation Bonds Series B	\$1,400,000	\$27,960	9/1/2025	A
2020	SARDA	Third Lien Tax Allocation Bonds Series B	\$4,500,000	\$1,593,200	3/1/2038	A
2020	SARDA	Third Lien Tax Allocation Bonds Series C	\$2,835,000	\$235,358	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 \$327,350,153.

Fiscal Year 2024	
Assessed Valuation	\$8,729,337,402
Conversion Percentage	25%
Adjusted Assessed Valuation	2,182,334,351
Debt Limit Percentage	15%
Debt Limit	327,350,153
Total Net Debt Applicable to Limitation	-
Legal Debt Margin	\$327,350,153
Total Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%



FIVE YEAR FORECAST



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.

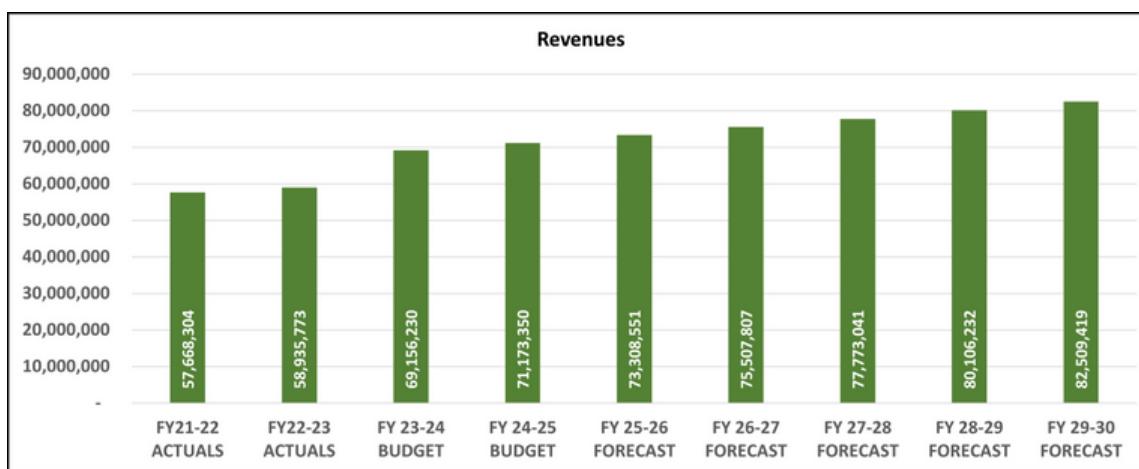
General Fund Revenue

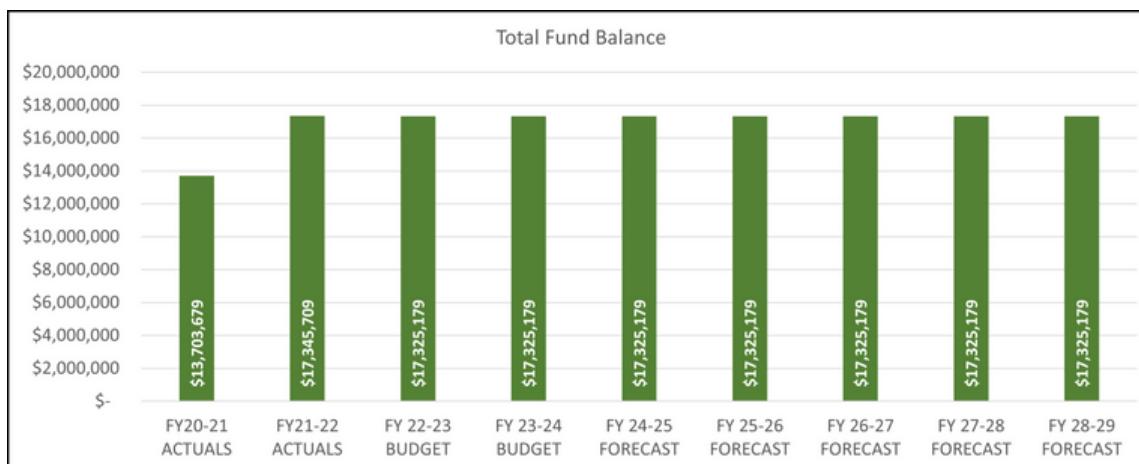
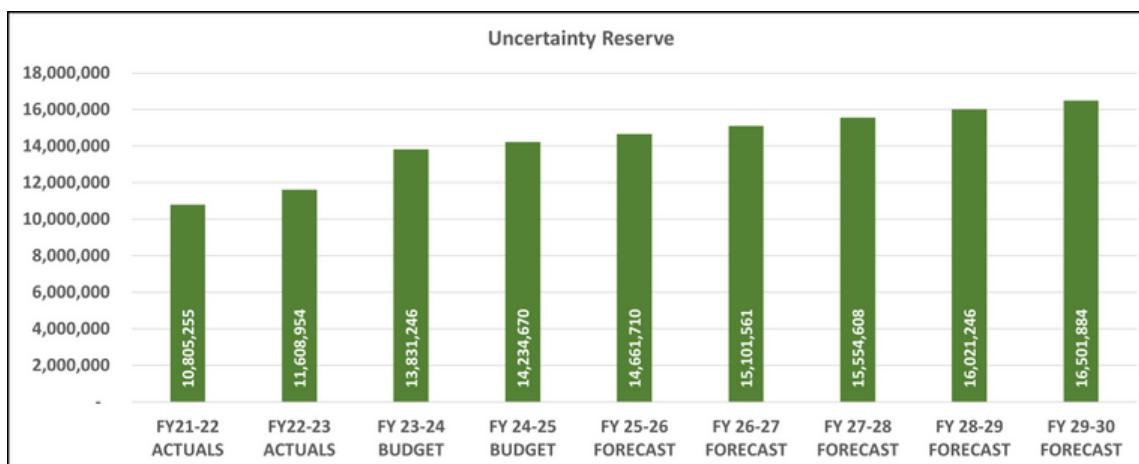
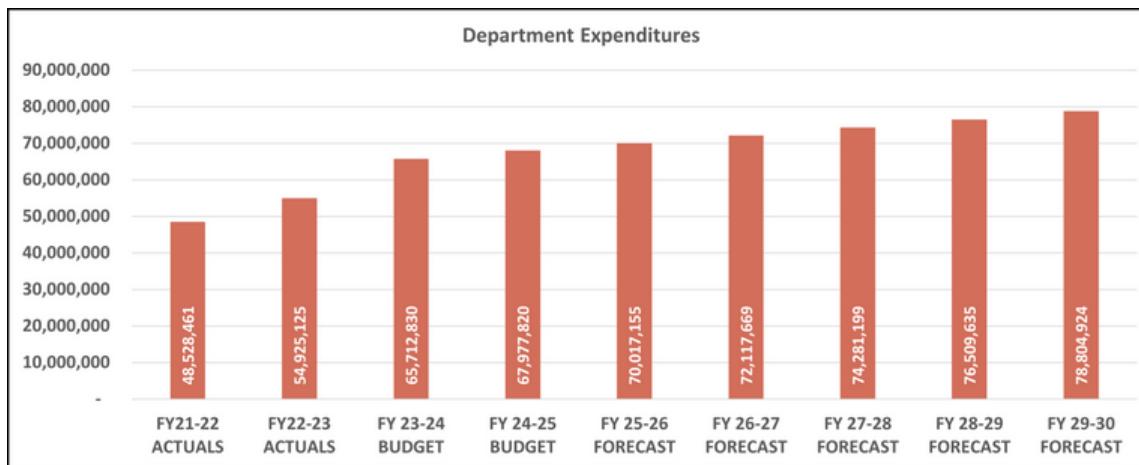
General Fund Revenue is projected by line item using a combination of known information and anticipated trends for the coming five-year period. The City's Budget Team works in tandem with Community Development to identify future projects that could affect revenue levels, such as the addition of new housing 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 – 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 contacts, and Public Safety Contract projections received from the County of Riverside. General fund expenditures were projected at a 3% adjustment rate.





SUPPLEMENTAL INFORMATION



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.

Fiscal Year Ended June 30	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value
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
2024	8,757,116,372	152,982,711	(180,761,681)	8,729,337,402

Source: Riverside County Assessor 2023/24 Combined Tax Rolls



Principal Secured Property Owners Year Ended June 30, 2024 - Top Ten Property Taxpayers

Taxpayer	Taxable Assessed Value	Percent of Total City Taxable Assessed
Rivers Edge At Lake Elsinore LLC	\$64,579,492	0.74%
Alberhill Holdings	61,491,152	0.70%
Ridgestone Partners	54,544,795	0.62%
Walmart Stores Inc.	52,469,019	0.60%
15150 Grand Avenue LLC	47,020,270	0.54%
Pulte Homes	36,150,228	0.41%
Helf Canyon Market Place I	29,346,582	0.33%
MHC 186	27,107,676	0.31%
Mohr Affinity LLC	26,819,716	0.31%
KB Home Coastal Inc.	24,708,478	0.28%
Top Ten Total	\$424,237,408	4.84%

Source: Riverside County Assessor 2023/24 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, 2024

2023-24 Assessed Valuation: \$8,771,468,629

Overlapping Tax and Assessment Debt	Percentage Applicable	Outstanding Debt 6/30/2024	City's Share of Overlapping Debt 6/30/2024
Direct and Overlapping Tax and Assessment Debt			
City of Lake Elsinore Community Facilities District No. 90-2	100%	1,065,000	1,065,000
City of Lake Elsinore Community Facilities District No. 95-1	100%	240,000	240,000
City of Lake Elsinore Community Facilities District No. 98-1	100%	9,215,000	9,215,000
City of Lake Elsinore Community Facilities District No. 2003-2, IA, A, B, C, D, & E	100%	64,370,000	64,370,000
City of Lake Elsinore Community Facilities District No. 2004-3 IA No. 1 & 2	100%	35,700,000	35,700,000
City of Lake Elsinore Community Facilities District No. 2005-1	100%	5,835,000	5,835,000
City of Lake Elsinore Community Facilities District No. 2005-2	100%	16,925,000	16,925,000
City of Lake Elsinore Community Facilities District No. 2005-5	100%	3,015,000	3,015,000
City of Lake Elsinore Community Facilities District No. 2005-6	100%	2,255,000	2,255,000
City of Lake Elsinore Community Facilities District No. 2006-1 Improvement Areas	100%	40,680,000	40,680,000
City of Lake Elsinore Community Facilities District No. 2006-2	100%	4,715,000	4,715,000
City of Lake Elsinore Community Facilities District No. 2006-4	100%	5,090,000	5,090,000
City of Lake Elsinore Community Facilities District No. 2006-6	100%	3,525,000	3,525,000
City of Lake Elsinore Community Facilities District No. 2006-8	100%	3,615,000	3,615,000
City of Lake Elsinore Community Facilities District No. 2007-4	100%	2,350,000	2,350,000
City of Lake Elsinore Community Facilities District No. 2007-5	100%	1,575,000	1,575,000
City of Lake Elsinore Community Facilities District No. 2015-5	100%	1,840,000	1,840,000
City of Lake Elsinore Community Facilities District No. 2016-2	100%	20,601,480	20,601,480
City of Lake Elsinore Community Facilities District No. 2019-1	100%	6,530,000	6,530,000
City of Lake Elsinore 1915 Act Bonds	100%	7,315,000	7,315,000
Total Direct and Overlapping Tax and Assessment Debt			\$236,456,480
Other Overlapping Tax and Assessment Debt			
Elsinore Valley Metropolitan Water District Community Facilities District No. 2003-1	100%	2,295,000	2,295,000
Lake Elsinore Unified School District Community Facilities Districts	100%	70,205,287	70,205,287
Riverside County Flood Control District, Zone No. 4	.727%	2,755,000	20,029
Lake Elsinore Unified School District	46.29%	62,005,000	28,703,355
Metropolitan Water District	.227%	18,210,000	41,337
Mount San Jacinto Community College District	6.745%	242,210,000	16,337,065
Perris Union High School District Community Facilities District No. 92-1	7.437%	30,100,000	2,238,537
Menifee Union School District	3.746%	152,811,292	5,724,311
Perris Union High School District	2.33%	292,042,191	6,813,344
Perris School District	0.052%	47,104,571	24,494
Total Other Overlapping Tax and Assessment Debt			\$132,402,759
Total Direct/Other and Overlapping Tax and Assessment Debt			\$368,859,239
Direct General Fund Debt			
City of Lake Elsinore General Fund Obligations	100%	41,788,229	41,788,229



Total Direct General Fund Debt			\$41,788,229
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Overlapping General Fund Debt

Riverside County General Fund Obligations	2.211%	652,187,035	14,419,855
Riverside County Pension Obligations	2.211%	670,785,000	14,831,056
Perris Union High School District General Fund Obligations	2.33%	40,124,346	936,101
Menifee and Perris School District Certificates of Participation	3.74 - 0.052%	48,721,698	1,672,368
Western Municipal Water District	4.926%	2,724,440	134,206
Total Overlapping General Fund Debt			\$31,993,584

Total Direct and Overlapping General Fund Debt			\$73,781,823
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Overlapping Tax Increment Debt (Successor Agency)	100%	40,310,000	40,310,000
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Total Direct General Fund Debt			\$41,788,229
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Total Gross Overlapping Debt			\$441,162,825
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Combined Total Debt			\$482,951,054
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Ratios to 2023-24 Assessed Valuation

Total Overlapping Tax and Assessment Debt	4.21%
Total Direct Debt (\$41,788,229)	0.48%
Combined Total Debt	5.51%

Ratios to Redevelopment Incremental Valuation (\$4,130,153,303)

Total Overlapping Tax Increment Debt	0.98%
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Comparative City Information

City	Year	Number of Employees	Population	Estimated General Fund Revenues	Estimated General Fund Expenditures	Expenditures Per Capita
Lake Elsinore						
	2023	201	71,452	\$58,935,773	\$58,044,772	\$812
	2022	183	69,993	\$51,311,188	\$48,625,292	\$694
	2021	175	64,762	\$59,949,317	\$45,202,392	\$698
	2020	140	63,453	\$54,370,691	\$42,311,820	\$667
	2019	136	62,949	\$53,199,764	\$41,054,855	\$652
Menifee						
	2023	330	110,034	\$94,668,644	\$94,668,644	\$860
	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
Murrieta						
	2023	432	119,182	\$100,001,063	\$78,224,768	\$656
	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
Perris						
	2023	183	78,948	\$65,498,647	\$62,159,490	\$787
	2022	182	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
Temecula						
	2023	196	108,899	\$144,924,798	\$139,646,241	\$1,282
	2022	178	109,925	\$133,795,830	\$105,645,373	\$961
	2021	173	112,771	\$119,353,336	\$91,974,475	\$816
	2020	177	111,970	\$100,394,398	\$90,566,062	\$809
	2019	157	113,826	\$104,304,439	\$99,332,578	\$873



APPENDIX

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.

