AGENDA

ALISO VIEJO CITY COUNCIL
WEDNESDAY, JANUARY 18, 2023
6:30 PM CLOSED SESSION
7:00 PM REGULAR MEETING

City Hall
Council Chambers
12 Journey
Aliso Viejo, CA

Mayor Richard W. Hurt
Mayor Pro Tem Mike Munzing
Councilmember Tiffany Ackley
Councilmember Ross Chun
Councilmember Max Duncan

SPECIAL NOTICE REGARDING COVID-19

On March 4, 2020, Governor Newsom proclaimed a State of Emergency in California as a result of the threat of COVID-19. On September 16, 2021, Assembly Bill 361 (AB 361) was signed by Governor Newsom, to allow for the City Council to attend City Council meetings telephonically and for the public to participate in the City Council meeting by electronic means.

Given the health risks associated with COVID-19, state and local officials are recommending measures to promote social distancing; therefore, the City of Aliso Viejo will not have the Council Chambers open to the public for this meeting. Members of the public may access the meeting live using any of the following sources:

- Cox Communications Channel 851
- AT&T U-Verse Channel 99
- Online at www.avcity.org/agendas
- Online via GoToWebinar at https://attendee.gotowebinar.com/register/8631847304192135003

Public comments may be submitted by calling (949) 425-2509 to leave a recorded message by 4:00 pm on the day of the meeting or via email to Community-Input@avcity.org. Alternatively, public comments may be submitted by logging onto the meeting through this link and using the “Raise Hand” feature: https://attendee.gotowebinar.com/register/8631847304192135003. Comments are limited to three minutes each.

WELCOME to the City of Aliso Viejo City Council meeting.

It is the City's intention to comply with the Americans with Disabilities Act (ADA). If you need special assistance to participate in the meeting, the City will make reasonable arrangements to ensure accessibility and/or accommodations. [28 CFR 35.102-35.104 ADA Title II] Please contact the City Clerk's Office at (949) 425-2505 at least 48 hours prior to the meeting.

Regular meetings of the City Council are held on the first and third Wednesday of the month at the City Hall Council Chambers, 12 Journey, Aliso Viejo. Copies of the agenda are available in the lobby at City Hall on the Thursday preceding a regularly scheduled City Council meeting. All communications received by the City regarding an agenda item have been included in the agenda materials. Supplemental documents relating to specific agenda items, including communications received after agenda delivery, are presented at the dais and in the Public Copy agenda binder at the time of the meeting. Supplemental documents are also available for review in the City Clerk's office, 12 Journey, Aliso Viejo. For more information, please contact City Hall at (949) 425-2505.

This meeting will be broadcast live on Cox Communications Channel 851, AT&T U-Verse Channel 99 and the City's website. By attending the City Council Meeting, you are giving your permission to be televised. The Council Meetings are rebroadcast on Wednesday at 7:00 p.m. on Cox Communications Channel 851, AT&T U-Verse Channel 99, and can be viewed on the internet at www.avcity.org.

DAVID A. DOYLE	SCOTT C. SMITH	MITZI ORTIZ
CITY MANAGER	CITY ATTORNEY	CITY CLERK

PLEASE SILENCE ALL CELL PHONES AND OTHER
ELECTRONIC EQUIPMENT WHILE CITY COUNCIL IS IN SESSION

CALL TO ORDER: CONVENE SPECIAL MEETING

PUBLIC COMMENTS:

CLOSED SESSION:

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2)
Number of potential cases: 1

CALL TO ORDER: CONVENE REGULAR MEETING

ROLL CALL

PLEDGE OF ALLEGIANCE:

REPORT FROM CLOSED SESSION:

1. SPECIAL PRESENTATIONS:

1.1. RECOGNITION OF 2022 MAYOR ROSS CHUN

1.2. RECOGNITION OF ADMINISTRATIVE SERGEANT CHAD PHILLIPS

1.3. INTRODUCTION OF ADMINISTRATIVE SERGEANT RYAN DIERCKMAN

1.4. OCSD EMERGENCY EVACUATION SIREN SYSTEM VIDEO PRESENTATION

2. ADDITIONS, DELETIONS, REORDERING TO THE AGENDA:

3. COMMUNITY INPUT:

Members of the public wishing to address the City Council can submit public comments by calling (949) 425-2509 to leave a recorded by 4:00 pm on the day of the meeting or via email to Community-Input@avcity.org. Written comments will be read into the record and recorded messages will be aired during the meeting. Alternatively, public comments may be submitted by logging onto the meeting through this link and using the "Raise Hand" feature: https://attendee.gotowebinar.com/register/8631847304192135003. Comments are limited to three (3) minutes each. In compliance with the Brown Act, no discussion or action may be taken on comments received at this time, except the City Council may briefly respond to statements made or questions posed.

4. CONSENT CALENDAR:

All matters listed on the Consent Calendar will be acted upon by one vote unless members of the City Council, or staff request a matter to be discussed and/or removed from the Consent Calendar for separate action. Items removed from the Consent Calendar will be discussed and voted upon immediately following City Council action on the remainder of the Consent Calendar.

4.1. WAIVE THE READING OF ALL ORDINANCES AND RESOLUTIONS

Recommended Action: Approve the reading by title only of all ordinances and resolutions wherein the titles appear on the public agenda; said titles shall be determined to have been read by title, and further reading is waived.

4.2. RESOLUTION EXTENSION AUTHORIZING VIRTUAL CITY COUNCIL MEETINGS PURSUANT TO ASSEMBLY BILL 361

Recommended Action: Move to reconfirm findings under Assembly Bill 361 and extend Resolution No. 2021-27 to continue virtual City Council meetings.

Staff Report

Attachment 1 - Resolution No. 2021-27

4.3. APPROVAL OF MINUTES

Recommended Action: Approve the Minutes as submitted for the December 7, 2022 Regular Meeting and the December 14, 2022 Adjourned Regular Meeting.

Draft Minutes - December 7, 2022 Regular Meeting
Draft Minutes - December 14, 2022 Adjourned Regular Meeting

4.4. ACCOUNTS PAYABLE

Recommended Action:

1. Ratify accounts payable checks and electronic funds transfers issued December 8, 2022, in the amount of $1,881,455.71;
2. Ratify accounts payable checks and electronic funds transfers issued December 22, 2023, in the amount of $339,347.60; and
3. Ratify accounts payable checks and electronic funds transfers issued January 5, 2023, in the amount of $1,147,426.95.

Staff Report
Attachment 1 - Accounts Payable Report

4.5. TREASURER'S STATEMENT – OCTOBER AND NOVEMBER 2022

Recommended Action: Receive and file the October and November 2022 Treasurer's Statement.

Staff Report
Attachment 1 - Oct 2022 Treasurer's Report
Attachment 2 - Nov 2022 Treasurer's Report

4.6. FISCAL YEAR 2021-22 ANNUAL COMPREHENSIVE FINANCIAL REPORT

Recommended Action:

1. Receive and file the Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022; and
2. Adopt a Resolution reappropriating certain fiscal year 2021-22 fund balances and amending the fiscal year 2022-23 budget.

Staff Report
Attachment 1 - FY 2021-22 ACFR
Attachment 2 - Statement on Auditing Standards 114 Letter
Attachment 3 - Report on Internal Controls
Attachment 4 - Report on Appropriations Limit
Attachment 5 - Report on Treasurer's Monthly Statement
Attachment 6 - Resolution

4.7. RESOLUTION APPROVING THE ISSUANCE BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY OF THE PORTION OF REVENUE BONDS THE PROCEEDS OF WHICH ARE TO BE LOANED TO QCF/I, INC., A 501(c)(3) NONPROFIT HEALTHCARE ORGANIZATION, AND USED TO ACQUIRE THE EXISTING FACILITY LOCATED AT 200 FREEDOM LANE, ALISO, VIEJO, CALIFORNIA; AND APPROVING CERTAIN OTHER MATTERS RELATING THERETO

Recommended Action: Adopt a Resolution approving the issuance by the California Municipal Finance Authority of the portion of revenue bonds the proceeds of which are to be loaned to QCF/I, Inc., a 501 (c)(3) nonprofit healthcare organization, and used to

acquire the existing facility located at 200 Freedom Lane, Aliso, Viejo, California; and approving certain other matters relating thereto.
Staff Report
Attachment 1 - Resolution

4.8. AGREEMENT WITH WOOD RODGERS, INC. FOR STORM DRAIN CONDITION ASSESSMENT SERVICES
Recommended Action:
1. Approve an agreement with Wood Rodgers, Inc. to perform storm drain condition assessment services; and
2. Authorize the City Manager to execute a professional services agreement with Wood Rodgers, Inc. for an amount of $286,000.

Staff Report
Attachment 1 - Agreement

4.9. LEASE WITH FAMILY ASSISTANCE MINISTRIES
Recommended Action:
1. Find that the lease of the City-owned property is exempt from the California Environmental Quality Act pursuant to State CEQA Guidelines Sections 15301 (Existing Facilities); and
2. Approve the lease agreement with Family Assistance Ministries (FAM) for the property and direct the City Manager to take all necessary steps to execute the lease of the property.

Staff Report
Attachment 1 - Lease Agreement
Attachment 2 - FAM Materials

4.10. RESOLUTION UPDATING SALARY SCHEDULE DUE TO MINIMUM WAGE INCREASE
Recommended Action: Adopt a Resolution to update the salary schedule due to increase in minimum wage.
Staff Report
Attachment 1 - Resolution
Attachment 2 - Salary Schedule

5. PUBLIC HEARINGS:

5.1. FIVE-YEAR ECONOMIC DEVELOPMENT SUBSIDY REPORT
Recommended Action:
1. Conduct a public hearing; and
2. Approve the economic subsidy report.

Staff Report
Attachment 1 - Five-Year Subsidy Report
Attachment 2 - Agreement with EFUEL, LLC

5.2. REQUEST TO APPROVE A SITE DEVELOPMENT PERMIT TO REMODEL THE TWO-STORY CLUBHOUSE BUILDING, UPGRADE THE OUTDOOR COMMON AREA INCLUDING THE POOL AND ASSOCIATED LANDSCAPE/HARDSCAPE, DEMOLISH THE GUARD TOWER AT 5000 CITY LIGHTS DRIVE, AND DETERMINE THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM CEQA (PA22-006 & SDP 2022-00002).

Recommended Action:

1. Find that the request is exempt from the California Environmental Quality Act pursuant to State CEQA (California Environmental Quality Act) Guidelines Section 15301 (Existing Facilities); and
2. Adopt a Resolution approving a Site Development Permit (SDP) to remodel the two-story clubhouse building, pool, landscape, and hardscape including American with Disability Act (ADA) compliant upgrades and demolish the guard tower at 5000 City Lights Drive (PA22-006 & SDP-2022-00002).

Staff Report
Attachment 1 - Resolution
Attachment 2 - Project Description Letter
Attachment 3 - Project Plans
Attachment 4 - Presentation

5.3. CONDITIONAL USE PERMIT AND SITE DEVELOPMENT PERMIT TO ESTABLISH A NEW RESTAURANT SERVING FULL ALCOHOL AT 26611 ALISO CREEK ROAD, SUITE A

Recommended Action: Open and continue the public hearing to a date uncertain.

Staff Report

6. DISCUSSION:

None.

7. CITY MANAGER' S REPORT:

8. ANNOUNCEMENTS / COUNCIL COMMENTS / COMMITTEE UPDATES:

9. ADJOURNMENT:

The next regularly scheduled City Council meeting is February 1, 2023.

City of Aliso Viejo
AGENDA ITEM

DATE: January 18, 2023

TO: Mayor and City Council

FROM: Mitzi Ortiz, Director of Government Services

SUBJECT: RESOLUTION EXTENSION AUTHORIZING VIRTUAL CITY COUNCIL MEETINGS PURSUANT TO ASSEMBLY BILL 361

Recommended Action:

Move to reconfirm findings under Assembly Bill 361 and extend Resolution No. 2021-27 to continue virtual City Council meetings.

Fiscal Impact:

None.

Background:

Assembly Bill 361 ("AB 361"), effective October 1, 2021, waives certain provisions of the Ralph M. Brown Act and allows legislative bodies to meet virtually until January 1, 2024, provided there is a state of emergency and either:

1. state or local officials have imposed or recommended measures to promote social distancing; or
2. the legislative body determines by majority vote that meeting in person would present imminent risks to the health and safety of attendees.

Under AB 361, the City is not required to allow public access at teleconference locations; however, the City must provide access to meetings via a call-in option or internet-based service option so that members of the public may address the City Council in real time. Additionally, every 30 days the City Council must reconsider the state of emergency and make the determination to continue meeting virtually in accordance with AB 361.

Discussion:

On October 20, 2021, the City Council adopted Resolution No. 2021-27 authorizing virtual City Council meetings under AB 361, having found and determined that (1) a state of emergency related to COVID-19 is currently in effect; (2) state and local officials have

recommended measures to promote social distancing in connection with COVID-19; and (3) due to the COVID-19 emergency, meeting in person would present imminent risks to the health and safety of attendees. At subsequent meetings, the City Council has reconfirmed the findings and extended the resolution pursuant to AB 361.

Staff will agendize this matter for consideration at each City Council meeting until such time as the state of emergency has been terminated or the City Council determines that conditions no longer exist to prevent meeting safely in person.

Staff recommends that the City Council reconfirm the findings in Resolution No. 2021-27 continue to exist and approve the extension of the resolution.

Attachment:

1. Resolution No. 2021-27

RESOLUTION NO. 2021-27

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, AUTHORIZING VIRTUAL CITY COUNCIL MEETINGS PURSUANT TO ASSEMBLY BILL 361

WHEREAS, the Aliso Viejo City Council ("Council") is committed to preserving and nurturing public access and participation in meetings of the Council; and

WHEREAS, with the exception of closed sessions, all meetings of the Council are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend and participate in the Council's meetings; and

WHEREAS, starting in March 2020, in response to the spread of COVID-19 in the State of California, the Governor issued a number of executive orders aimed at containing theCOVID-19 virus; and

WHEREAS, among other things, these orders waived certain requirements of the BrownAct to allow legislative bodies to meet virtually; and

WHEREAS, pursuant to the Governor's executive orders, the Council has been holding virtual meetings during the pandemic in the interest of protecting the health and safety ofthe public, staff, and Councilmembers; and

WHEREAS, the Governor's executive order related to the suspension of certain provisions of the Brown Act expires on September 30, 2021; and

WHEREAS, on September 16, 2021 the Governor signed Assembly Bill 361 (in effect asof October 1, 2021 – Government Code Section 54953(e)), which allows legislative bodies to meet virtually provided there is a state of emergency, and either (1) state or local officials have imposed or recommended measures to promote social distancing; or (2) the legislative body determines by majority vote that meeting in person would presentimminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in Orange County, specifically, a state of emergency has been proclaimed related to COVID-19, state and local officials are recommending measures to promote social distancing, and because of the ongoing threatof COVID-19, meeting in person would present imminent risks to the health and safety of attendees;

NOW, THEREFORE, BE IT RESOLVED BY THE ALISO VIEJO CITY COUNCIL AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and areincorporated into this Resolution by this reference.

Section 2. Remote Teleconference Meetings. Consistent with the provisions of Government Code Section 54953(e), the Council finds and determines that (1) a state ofemergency related to COVID-19 is currently in effect; (2) state and local officials have recommended measures to promote social distancing in connection with COVID-19; and (3) due to the COVID-19 emergency, meeting in person would present imminent risks to the health and safety of attendees. Based on such facts, findings and determinations, the Council authorizes staff to conduct remote teleconference meetings of the Council under the provisions of Government Code Section 54953(e).

Section 3. Effective Date of Resolution. This Resolution shall take effect upon adoption and shall be effective for 30 days unless earlier extended by a majority vote of the Council in accordance with Section 4 of this Resolution.

Section 4. Extension by Motion. The Council may extend the application of this Resolution by motion and majority vote by up to 30 days at a time, provided that it makes all necessary findings consistent with and pursuant to the requirements of Section 54953(e)(3).

PASSED, APPROVED AND ADOPTED this 20th day of October, 2021.

Tiffany Ackley
Mayor

APPROVED AS TO FORM:

Scott C. Smith
City Attorney

ATTEST:

Mitzi Ortiz, MMC
City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF ALISO VIEJO)

I, MITZI ORTIZ, City Clerk of the City of Aliso Viejo, California, DO HEREBY CERTIFY that foregoing Resolution No. 2021-27 was duly passed and adopted by the City Council of the City of Aliso Viejo at their regular meeting held on the 20th day of October 2021, by the following roll call vote, to wit:

AYES: Mayor Ackley, Mayor Pro Tem Chun, Councilmembers Harrington, Hurt and Munzing

NOES: None

ABSENT: None

MITZI ORTIZ, MMC
CITY CLERK

(SEAL)

CITY OF ALISO VIEJO
CITY COUNCIL MINUTES
REGULAR MEETING
December 7, 2022, 7:00 P.M.
Council Chambers, City Hall, 12 Journey
Aliso Viejo, California

City Council conducted this meeting in accordance with California Government Code Section 54953(e)(2) and COVID-19 pandemic protocols.

CALL TO ORDER: City Clerk Mitzi Ortiz called the Regular Meeting of the City Council of the City of Aliso Viejo to order at 7:00 p.m.

ROLL CALL:

PRESENT: NONE

ABSENT: MAYOR ROSS CHUN
MAYOR PRO TEM RICHARD HURT
COUNCILMEMBER TIFFANY ACKLEY
COUNCILMEMBER DAVID C. HARRINGTON
COUNCILMEMBER MIKE MUNZING

STAFF PRESENT: MITZI ORTIZ, CITY CLERK
ISAAC AZIZ, INFORMATION TECHNOLOGY MANAGER

ADJOURNMENT: The following agenda item will be adjourned to Wednesday, December 14, 2022 at 7:00 p.m.

SECOND READING AND ADOPTION OF ORDINANCES REGARDING A SPECIFIC PLAN AMENDMENT AND A DEVELOPMENT AGREEMENT FOR THE COMMONS SPECIFIC PLAN

Recommended Action:

1. Find that the Project is exempt from the California Environmental Quality Act pursuant to State CEQA Guidelines Section 15332 (Infill Development);
2. Give second reading and adopt an Ordinance entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, TO AMEND SPECIFIC PLAN NO. 2 FOR THE COMMONS AT ALISO VIEJO TOWN CENTER AND DETERMINE THE PROJECT TO BE CATEGORICALLY EXEMPT FROM CEQA UNDER CLASS 32 (PLANNING APPLICATION SP-22-00001); and
3. Give second reading and adopt Ordinance entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ALISO VIEJO AND VALUEROCK ALISO VIEJO, LLC FOR SPECIFIC PLAN NO. 2 (THE COMMONS AT

ALISO VIEJO TOWN CENTER) PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65864 ET SEQ. AND DETERMINE THE PROJECT TO BE CATEGORICALLY EXEMPT FROM CEQA UNDER CLASS 32 (PLANNING APPLICATION DA-22-00001).

City Clerk Mitzi Ortiz adjourned the meeting at 7:01 p.m. due to a lack of quorum to Wednesday, December 14, 2022 at 7:00 p.m.

Respectfully submitted:

_____
MITZI ORTIZ, MMC
CITY CLERK

Approved by:

_____
ROSS CHUN
MAYOR

DRAFT

CITY OF ALISO VIEJO
CITY COUNCIL MINUTES
ADJOURNED REGULAR MEETING
DECEMBER 14, 2022, 7:00 PM
Council Chambers, City Hall, 12 Journey
Aliso Viejo, California

CALL TO ORDER: Mayor Chun called the Adjourned Regular Meeting of the City Council of the City of Aliso Viejo to order at 7:03 p.m.

ROLL CALL

PRESENT: MAYOR ROSS CHUN
MAYOR PRO TEM RICHARD HURT
COUNCILMEMBER TIFFANY ACKLEY
COUNCILMEMBER DAVID C. HARRINGTON
COUNCILMEMBER MIKE MUNZING

ABSENT: NONE

STAFF PRESENT: DAVID A. DOYLE, CITY MANAGER
SCOTT C. SMITH, CITY ATTORNEY
MITZI ORTIZ, CITY CLERK
ANN EIFERT, FINANCIAL SERVICES DIRECTOR
SHAUN PELLETIER, PUBLIC WORKS DIRECTOR
SO KIM, COMMUNITY DEVELOPMENT DIRECTOR
LIZZY MENDOZA, RECREATION & COMMUNITY SERVICES MANAGER
ISAAC AZIZ, INFORMATION TECHNOLOGY MANAGER
CAPT. SCOTT MERRILL, CHIEF OF POLICE SERVICES

PLEDGE OF ALLEGIANCE: Councilmember Harrington led the pledge of allegiance.

1. POST ELECTION MATTERS:

1.1. CERTIFICATION OF OFFICIAL ELECTIONS RESULTS

City Clerk Mitzi Ortiz provided an overview.

Recommended Action: Adopt Resolution No. 2022-32 reciting the facts of the General Municipal Election held on November 8, 2022, declaring the result and such other matters as provided by law.

Motion: Councilmember Munzing moved and Mayor Pro Tem Hurt seconded to approve the recommended action. Motion carried 5-0.

1.2. RECOGNITION OF OUTGOING COUNCILMEMBER DAVID C. HARRINGTON

Mayor Chun presented a tile plaque and recognition on behalf of the City. Councilmember Harrington expressed his appreciation to City staff, Council colleagues, and residents.

MAYOR CHUN RECESSED THE MEETING AT 7:13 P.M. AND RECONVENED AT 7:35 P.M.

1.3. OATH OF OFFICE CEREMONY AND INSTALLATION OF COUNCILMEMBER TIFFANY ACKLEY

Laurel Ackley, accompanied by Jared and Keith Ackley, administered the Oath of Office to Councilmember Tiffany Ackley.

1.4. OATH OF OFFICE CEREMONY AND INSTALLATION OF COUNCILMEMBER MAX DUNCAN

Allison and Gavin Duncan, accompanied by Monica Duncan, administered the Oath of Office to Councilmember Max Duncan.

Councilmember Duncan joined the dais for the remainder of the meeting.

2. ADDITIONS, DELETIONS, REORDERING TO THE AGENDA:

None.

3. COMMUNITY INPUT:

None.

4. CONSENT CALENDAR:

Unless otherwise indicated below, the following pertains to all items on the Consent Calendar.

Motion: Mayor Pro Tem Hurt moved and Councilmember Munzing seconded to approve the recommended actions. Motion carried 5-0.

4.1. WAIVE THE READING OF ALL ORDINANCES AND RESOLUTIONS

Recommended Action: Approve the reading by title only of all ordinances and resolutions wherein the titles appear on the public agenda; said titles shall be determined to have been read by title, and further reading is waived.

4.2. APPROVAL OF MINUTES

Recommended Action: Approve the Minutes as submitted for the November 16, 2022 Regular Meeting.

4.3. SECOND READING AND ADOPTION OF ORDINANCES REGARDING A SPECIFIC PLAN AMENDMENT AND A DEVELOPMENT AGREEMENT FOR THE COMMONS SPECIFIC PLAN

Recommended Action:

1. Find that the Project is exempt from the California Environmental Quality Act pursuant to State CEQA Guidelines Section 15332 (Infill Development);
2. Give second reading and adopt Ordinance No. 2022-233 entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, TO AMEND SPECIFIC PLAN NO. 2 FOR THE COMMONS AT ALISO VIEJO TOWN CENTER AND DETERMINE THE PROJECT TO BE CATEGORICALLY EXEMPT FROM CEQA UNDER CLASS 32 (PLANNING APPLICATION SP-22-00001); and
3. Give second reading and adopt Ordinance No. 2022-234 entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ALISO VIEJO AND VALUEROCK ALISO VIEJO, LLC FOR SPECIFIC PLAN NO. 2 (THE COMMONS AT ALISO VIEJO TOWN CENTER) PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65864 ET SEQ. AND DETERMINE THE PROJECT TO BE CATEGORICALLY EXEMPT FROM CEQA UNDER CLASS 32 (PLANNING APPLICATION DA-22-00001).

4.4. ACCOUNTS PAYABLE

Recommended Action:

1. Ratify accounts payable checks and electronic funds transfers issued October 27, 2022, in the amount of $725,675.47;
2. Ratify accounts payable checks and electronic funds transfers issued November 10, 2022, in the amount of $1,238,790.98; and
3. Ratify accounts payable checks and electronic funds transfers issued November 22, 2022, in the amount of $743,562.60.

4.5. MEASURE M2 EXPENDITURE REPORT

Recommended Action: Adopt Resolution No. 2022-33 approving the City's annual Measure M2 expenditure report for fiscal year ending June 30, 2022.

4.6 RESOLUTION EXTENSION AUTHORIZING VIRTUAL CITY COUNCIL MEETINGS PURSUANT TO ASSEMBLY BILL 361

Recommended Action: Move to reconfirm findings under Assembly Bill 361 and extend Resolution No. 2021-27 to continue virtual City Council meetings.

5. PUBLIC HEARINGS:

None.

6. DISCUSSION:

6.1. CITY COUNCIL REORGANIZATION

City Clerk Mitzi Ortiz provided the staff report and opened the floor to accept nominations for Mayor. Councilmember Munzing nominated Mayor Pro Tem Hurt. There were no further nominations for Mayor and nominations were closed.

Motion: Nomination of Mayor Pro Tem Hurt to serve as Mayor for 2023. Motion carried 5-0.

City Clerk Mitzi Ortiz opened the floor to accept nominations for Mayor Pro Tem. Councilmember Duncan nominated Councilmember Munzing. There were no further nominations for Mayor Pro Tem and nominations were closed.

Motion: Nomination of Councilmember Munzing to serve as Mayor Pro Tem for 2023. Motion carried 5-0.

6.2. CITY COUNCIL APPOINTMENTS TO SERVE ON REGIONAL BOARDS, COMMISSIONS AND COMMITTEES

City Clerk Mitzi Ortiz presented the staff report.

Recommended Action:

1. Review and update Council appointment list to regional boards, commissions, and committees; and
2. If needed, adopt a Resolution designating and appointing the City's representative to the Orange County Fire Authority Board of Directors.

Motion: Councilmember Ackley moved and Councilmember Munzing seconded to approve the appointment list as presented. Motion carried 5-0.

7. CITY MANAGER' S REPORT:

City Manager David Doyle expressed appreciation to City staff and volunteers for the All is Bright Holiday Celebration and Tree Lighting Ceremony; and extended well wishes for the holiday season.

8. ANNOUNCEMENTS / COUNCIL COMMENTS / COMMITTEE UPDATES:

Councilmember Munzing:

- Extended well wishes for the holiday season

Mayor Pro Tem Hurt:
- Expressed appreciation to Council colleagues, staff, and wife for their support
- Congratulated Councilmember Ackley and Councilmember Duncan
- Requested announcement from Captain Merrill on available mental health resources

Councilmember Duncan:
- Expressed appreciation to his family, residents, and Council for their support

Councilmember Ackley:
- Attended All is Bright Holiday Celebration and Tree Lighting Ceremony
- Encouraged residents to celebrate the holidays safely

Mayor Chun:
- Expressed appreciation to Council, staff, residents, and community partners

9. **ADJOURNMENT:** Mayor Chun adjourned the meeting at 7:55 p.m. to the regularly scheduled meeting of December 21, 2022.

Respectfully submitted: Approved by:

_____ _____

MITZI ORTIZ, MMC
CITY CLERK

ROSS CHUN
MAYOR

DRAFT

City of Aliso Viejo
AGENDA ITEM

DATE: January 18, 2023

TO: Mayor and City Council

FROM: Ann Eifert, Director of Financial Services

SUBJECT: ACCOUNTS PAYABLE

Recommended Actions:

1. Ratify accounts payable checks and electronic funds transfers issued December 8, 2022, in the amount of $1,881,455.71;

2. Ratify accounts payable checks and electronic funds transfers issued December 22, 2023, in the amount of $339,347.60; and

3. Ratify accounts payable checks and electronic funds transfers issued January 5, 2023, in the amount of $1,147,426.95.

Fiscal Impact:

Expenditures in the amount of $3,368,230.26.

Background:

The City issues accounts payable checks on bi-weekly basis and presents it to City Council for ratification at its next regularly scheduled City Council meeting.

Discussion:

The attached register containing checks and electronic funds transfers dated December 8, 2022, through January 5, 2023, for a total of $3,368,230.26 is being presented for ratification. All payments have been made in compliance with the City's purchasing policy and procedures. Payments have been reviewed and approved by the appropriate departmental staff. The issued accounts payable checks and electronic funds transfers have been reviewed and deemed in accordance with the fiscal year budget by the Director of Financial Services.

Attachment:

1. Accounts Payable Report

Accounts Payable 12/08/2022

Vendor Name	Description (Item)	Amount
101 - GENERAL FUND		
UNITED OF OMAHA LIFE INSURANCE CO.	DEC'22 LIFE INSURANCE	1,646.11
CIVIC SOLUTIONS INC	OCT'22 SPA-2022-00001COMMONS SPA/DA/CUP	440.00
RJM DESIGN GROUP INC	OCT'22 ENG 2252/THE COMMONS 1ST PLAN CHECK	1,096.25
US BANK PURCHASING CARD PROGRAM	BG-FY21-22 CREDIT CPTED TRAINING	(425.00)
HF&H CONSULTANTS LLC	OCT'22 SOLID WASTE AUDIT	3,026.25
DIVISION OF THE STATE ARCHITECT	JUL-SEP'22 CASP FEES	122.00
LEIA DAVID LYONS	P#21-1138-C&D REFUND-LEIA DAVID LYONS/10 SOLITAIRE	500.00
GARDNER POOL PLASTERING	P#21-1541_29 ROCKROSE_GARDNER POOL PLASTERING	500.00
CABINET FLOORING & BATH DESIGN	P#21-1574-C&D REFUND-CABINET FLOORING/9 FAWN RIDGE	500.00
AV BUILDER CORP	R00009655 P#2021-1986 - AV BUILDER CORP	500.00
TANYA ZHELEZNYAK	MECR-22-00172-CANCELED PERMIT-TANYA ZHELEZNYAK	86.18
J FLORES ROOFING	P#2022-00076_10 WINDFLOWER_J FLORES ROOFING	500.00
TRITON AIR	MECR-2022-00249 CANCELED PERMIT-TRITON AIR	95.00
J FLORES ROOFING	P#2022-00090_7 WATER ML_J FLORES ROOFING	500.00
		9,086.79
CITY COUNCIL		
US BANK PURCHASING CARD PROGRAM	LL-J&M TROPHIES MAYOR & COUNCILMEMBER PLAQUES	141.35
	CITY COUNCIL TOTAL:	**141.35**
ECONOMIC DEVELOPMENT		
US BANK PURCHASING CARD PROGRAM	SK-CDD TEAM LUNCH/DINNER & TIANNA FAREWELL LUNCH	278.89
	ECONOMIC DEVELOPMENT TOTAL:	**278.89**
HUMAN RESOURCES		
US BANK PURCHASING CARD PROGRAM	IA-9/28 IT ANALYST INTERVIEW PANEL-STARBUCKS	23.40
US BANK PURCHASING CARD PROGRAM	IA-9/28 IT ANALYST INTERVIEW PANEL LUNCH	91.39
US BANK PURCHASING CARD PROGRAM	DL - 11/21 - AMAZON COVID TEST - LV	13.32
US BANK PURCHASING CARD PROGRAM	DL - 11/08 OFFICE DEPOT COVID TESTS	137.92
US BANK PURCHASING CARD PROGRAM	PC - 10/25 CJPIA TRAINING DINNER	18.33
US BANK PURCHASING CARD PROGRAM	PC - 10/24 CJPIA TRAINING DINNER	28.49
US BANK PURCHASING CARD PROGRAM	PC - 10/26 CJPIA TRAINING DINNER	46.87
	HUMAN RESOURCES TOTAL:	**359.72**
CITY CLERK		
ICMA	CC-1/1-12/31/23 ICMA MEMBERSHIP RENEWAL DUES	200.00
STAPLES ADVANTAGE	NOV'22 - CCLK SUPPLIES	99.63
ICC GENERAL CODE, INC	MUNICIPAL CODE-WEB UPDATE/17PGS ORD2022-229	402.00
US BANK PURCHASING CARD PROGRAM	MO-MOSLOW WOOD PRODUCTS_CHERRY PLAQUES	413.75
US BANK PURCHASING CARD PROGRAM	MO-SDIA AIRPORT PARKING	63.00
	CITY CLERK TOTAL:	**1,178.38**
CITY ATTORNEY		
BEST BEST & KRIEGER	OCT'22 BBK CODE ENFORCEMENT	644.55
BEST BEST & KRIEGER	OCT'22 BBK LEGAL SERVICES	22,643.45
BEST BEST & KRIEGER	OCT'22 BBK LABOR/BENEFITS	1,878.00
BEST BEST & KRIEGER	OCT'22 GENERAL PLAN UPDATE - SPECIAL PROJ	530.10
BEST BEST & KRIEGER	OCT'22 BBK LITIGATION	1,314.60
BEST BEST & KRIEGER	OCT'22 BBK GENERAL PLAN UPDATE/TOWN CTR	864.90
BEST BEST & KRIEGER	OCT'22 BBK LEGAL SERVICES	469.60
	CITY ATTORNEY TOTAL:	**28,345.20**
FINANCE		
PARS	SEP'22 PARS REP FEES	300.00
US BANK PURCHASING CARD PROGRAM	AE - CSMFO OC CHAPTER MEETING	65.00
	FINANCE TOTAL:	**365.00**
INFORMATION TECHNOLOGY		
COX COMMUNICATIONS, INC	11/10-12/9/22 ACCT#0202-CH-TV/CABLE	173.87
COX COMMUNICATIONS, INC	NOV'22 ACCT#9302-CH INTERNET LAB 1&2	85.39
NATHAN M KEETER	OCT'22 NETWORK SUPPORT & SECURITY ENGINEER	416.67

Vendor Name	Description (Item)	Amount
ROSS CHUN	RC-7/27/22 APPLE PENCIL REIMB	139.00
US BANK PURCHASING CARD PROGRAM	IA-EOC YOUTUBE TV SUBS	64.99
US BANK PURCHASING CARD PROGRAM	IA-10/16-11/16 WAITWHILE SUB-FRONT COUNTER	159.00
GOTO COMMUNICATIONS	NOV'22 CH GOTO VOIP SERVICE & SUPPORT	1,858.66
TANGENT COMPUTERS INC	CH-10/23-11/22/21 MICROSOFT 365 E3 LICENSES	2,084.00
LUNAVI, INC	NOV'22 OFFSITE BACKUP STORAGE SERVICE-ZERTO	1,378.33
	INFORMATION TECHNOLOGY TOTAL:	**6,359.91**
NON-DEPARTMENTAL		
RICOH USA	DEC'22 RICOH C5200S LEASE	723.32
RICOH USA	DEC'22 RICOH C5200S - LEASE INTEREST	6.60
NESTLE WATERS NORTH AMERICA	NOV'22-CH-COFFEE/WATER FILTRATION & FLTR SVC	49.54
IPROMOTEU.COM INC	C.NOCK & E.LIMONES-BUSINESS CARDS	94.71
RICOH USA	OCT'22 RICOH 2504 SUITE 200 PRINT CYCLES	52.26
RICOH USA	AUG-OCT 2022 RICOH C5200S COPIES	293.82
RICOH USA	OCT'22 RICOH 2504EX FRONT COUNTER-COPIES	194.79
RICOH USA	NOV'22 RICOH 2504EX SUITE 200-COPIES	22.05
CINTAS CORPORATION NO. 2	DECEMBER 2022 CH FIRST AID SUPPLIES	147.02
FEDERAL EXPRESS	10/21/22 CC-N.VUCUREVIC/ACRISURE	26.90
STAPLES ADVANTAGE	NOV'22 - CEN COPY&BREAK ROOM SUPPLIES	642.44
VOYAGER FLEET SYSTEMS INC	CITY VEHICLE FUEL NOVEMBER 2022	742.06
MOULTON NIGUEL WATER DIST	10/17-11/14/22 MTR#2206 VISTA PARK WATER SERVICE	572.60
US BANK PURCHASING CARD PROGRAM	AE - QUARTERLY LUNCHEON	571.96
US BANK PURCHASING CARD PROGRAM	DL - 10/30 TARGET - LUNCHEON GC	45.00
US BANK PURCHASING CARD PROGRAM	DL - 10/27 STARBUCKS - LUNCHEON GC	20.00
VIGICABI INC	DECEMBER 2022 HOLIDAY BANNERS INSTALLATION	1,400.00
US BANK PURCHASING CARD PROGRAM	LL- CC DINNERS 11/2 & 11/16 BEYOND THAI CUISINE	339.01
US BANK PURCHASING CARD PROGRAM	PC - 10/31 STARBUCKS - LUNCHEON GC	10.00
US BANK PURCHASING CARD PROGRAM	SM - QUARTERLY LUNCHEON GC	15.00
US BANK PURCHASING CARD PROGRAM	SM - CANDY AND SODA QUARTERLY LUNCHEON	31.80
	NON-DEPARTMENTAL TOTAL:	**6,000.88**
C. S. ADMINISTRATION		
US BANK PURCHASING CARD PROGRAM	JB-HEALTH FAIR SNACKS	29.32
US BANK PURCHASING CARD PROGRAM	JB-TREE LIGHTING SNACKS	76.64
US BANK PURCHASING CARD PROGRAM	JB-TREE LIGHTING CANDY CANES	203.97
US BANK PURCHASING CARD PROGRAM	JB-TREE LIGHTING SUPPLIES	227.57
US BANK PURCHASING CARD PROGRAM	JB-HEALTH FAIR COFFEE FOR NURSING & STAFF	20.00
US BANK PURCHASING CARD PROGRAM	MO-META ADS_HEALTH FAIR & REC LEADER HIRE	23.50
	C. S. ADMINISTRATION TOTAL:	**581.00**
IGLESIA PARK		
EL TORO WATER DISTRICT	10/11-11/9/22 MTR #3499 IGLESIA PARK WATER SRV	475.83
EL TORO WATER DISTRICT	10/11-11/9/22 MTR #4114 IGLESIA PARK WATER SRV	428.13
	IGLESIA PARK TOTAL:	**903.96**
IGLESIA BUILDING		
EL TORO WATER DISTRICT	10/11-11/9/22 MTR#5016 IGLESIA BLDG WATER SRV	232.16
SONITROL ORANGE COUNTY LLC	NOV'22 IGLESIA - ACCESS CONTROL	99.22
SONITROL ORANGE COUNTY LLC	DEC'22 IGLESIA - ACCESS CONTROL	99.22
	IGLESIA BUILDING TOTAL:	**430.60**
IGLESIA PARK COMMUNITY CENTER		
BOYS & GIRLS CLUB OF CAPISTRANO VALLEY	OCT'22 B&G ELEMENTARY & TEEN KEYSTONE PROG	12,210.45
	IGLESIA PARK COMMUNITY CENTER TOTAL:	**12,210.45**
PLANNING		
US BANK PURCHASING CARD PROGRAM	SK-APA/AICP MEMBERSHIP DUES	960.00
US BANK PURCHASING CARD PROGRAM	IA-SEP'22 CONSTANT CONTACT	45.00
	PLANNING TOTAL:	**1,005.00**
ENGINEERING (GENERAL)		
US BANK PURCHASING CARD PROGRAM	SP-PROFESSIONAL ENGINEERS LICENSE RENEWAL	180.00
RICHARD FISHER ASSOCIATES	OCT'22 ON CALL LANDSCAPE & ARCHITECTURAL SERVICES	4,057.66
STAPLES ADVANTAGE	NOV'22 - ENG BANKER BOXES	159.02
	ENGINEERING (GENERAL) TOTAL:	**4,396.68**
LAW ENFORCEMENT-CONTRACT		
COUNTY OF ORANGE	DEC'22 IN CAR VIDEO	7,823.85
COUNTY OF ORANGE	DEC'22 BODY WORN CAMERA	13,912.44

Vendor Name	Description (Item)	Amount
COUNTY OF ORANGE	DEC'22 LAW ENFORCEMENT	798,643.94
COUNTY OF ORANGE	DEC'22 CONTRACT PAYMENT CREDIT	(2,066.06)
	LAW ENFORCEMENT-CONTRACT TOTAL:	**818,314.17**
LAW ENFORCEMENT-OTHER		
SEAVCO INC	REPAIRS FOR DEPUTY BAKER LE MOTORCYCLE VIN#G33962	1,344.59
SEAVCO INC	REPAIRS FOR DEPUTY BAKER LE MOTORCYCLE VIN#G33962	147.21
SEAVCO INC	REPAIRS FOR DEPUTY BAKER LE MOTORCYCLE VIN#G33962	3,273.36
ALL CITY MANAGEMENT SERVICES	10/2-10/15/22 460HRS SCHOOL CROSSING GUARD SRV	13,390.60
ALL CITY MANAGEMENT SERVICES	10/16-10/29/22 460HRS SCHOOL CROSSING GUARD SRV	13,390.60
VOYAGER FLEET SYSTEMS INC	LE CITY VEHICLE FUEL NOVEMBER 2022	994.50
US BANK PURCHASING CARD PROGRAM	CP - FIELD TRAINING OFFICER MEETING- FOOD	107.21
US BANK PURCHASING CARD PROGRAM	CP - FIELD TRAINING OFFICER MEETING- DRINKS	47.44
US BANK PURCHASING CARD PROGRAM	CP - COFFEE WITH A COP SPECIAL EVENT -DRINKGS	26.10
US BANK PURCHASING CARD PROGRAM	CP - COFFEE WITH A COP SPECIAL EVENT - FOOD ITEMS	49.96
US BANK PURCHASING CARD PROGRAM	CP - COFFEE WITH A COP SPECIAL EVENT - COFFEE	40.00
US BANK PURCHASING CARD PROGRAM	AV DUI CHECKPOINT- DRINKS	40.18
US BANK PURCHASING CARD PROGRAM	NAME PLATE FOR STAFF BOARD	42.90
US BANK PURCHASING CARD PROGRAM	AV DUI CHECKPOINT- FOOD	232.64
US BANK PURCHASING CARD PROGRAM	BUSINESS CARDS FOR SIFUENTEZ	127.68
US BANK PURCHASING CARD PROGRAM	TACTICAL YETI EQUIPMENT FOR STAFF	587.24
US BANK PURCHASING CARD PROGRAM	SMER - BRASS NAME PLATE FOR INVESTIGATRO P. CHIRON	38.25
	LAW ENFORCEMENT-OTHER TOTAL:	**33,880.46**
EOC		
US BANK PURCHASING CARD PROGRAM	SL-12/1OC EMERGENCY MANAGERS ORG MTG & LUNCHEON	40.00
US BANK PURCHASING CARD PROGRAM	SL-IAEM ANNUAL MEMBERSHIP DUES	199.00
	EOC TOTAL:	**239.00**
	GENERAL FUND TOTAL:	**924,077.44**

102 - GEN. FD-CITY HALL

NON-DEPARTMENTAL		
SONITROL ORANGE COUNTY LLC	NOV'22 - CH INTRUSION DETECTION & FIRE MONITORING	286.51
SONITROL ORANGE COUNTY LLC	NOV'22 CH - ACCESS CONTROL	552.74
SONITROL ORANGE COUNTY LLC	DEC'22 CH - ACCESS CONTROL	552.74
SONITROL ORANGE COUNTY LLC	DEC'22 CH - INTRUSION DETECTION & FIRE MONITORING	286.51
FOSTERS' GARDENS INC	NOV'22 CITY HALL PLANT MAINTENANCE	115.00
THURSTON ELEVATOR CONCEPTS INC	DECEMBER 2022 CH ELEVATOR MAINTENANCE SERVICES	131.00
MOULTON NIGUEL WATER DIST	10/17-11/14/22 MTR#8510 CITY HALL WATER SRV	156.16
MOULTON NIGUEL WATER DIST	10/17-11/14/22 MTR#6010 CITY HALL WATER SRV	152.73
MOULTON NIGUEL WATER DIST	10/17-11/14/22 MTR#7051 CITY HALL WATER SRV	326.44
PACIFIC PARK II ASSOCIATION	DEC'22 CITY HALL HOA FEES	347.27
US BANK PURCHASING CARD PROGRAM	KB - HIRSCH PIPE SUPPLY - 2ND FL CH MENS URIN	47.05
US BANK PURCHASING CARD PROGRAM	KB - THE HOME DEPOT - CITY HALL PAINTING SUPPLIES	363.35
US BANK PURCHASING CARD PROGRAM	KB - THE HOME DEPOT - CH OCCUPANCY 2ND FLOOR	15.52
US BANK PURCHASING CARD PROGRAM	KB - THE HOME DEPOT - WALL PLATES	2.64
US BANK PURCHASING CARD PROGRAM	KB - U.S. AIRCONDITIONING - THERMOSTAT I.T. ROOM	94.82
US BANK PURCHASING CARD PROGRAM	KB - THE HOME DEPOT - CITY HALL 2ND FLOOR LIGHTING	154.80
	NON-DEPARTMENTAL TOTAL:	**3,585.28**
	GEN. FD-CITY HALL TOTAL:	**3,585.28**

103 - GF-AV RECREATION SERVICES

ALAN SANCHEZ-CRUZ	CHECK REFUND FOR CANCELLED RENTAL on 11/22/22	2,783.50
ALAN SANCHEZ-CRUZ	REFUND FEE FOR CANCELLED RENTAL for 11/22/22	(50.00)
SANDY NGUYEN	ADMIN FEE FOR CANCELLED CLASS	5.00
SANDY NGUYEN	REFUND FOR CANCELLED CLASS BY ACCOUNT HOLDER	49.00
SANDY NGUYEN	REFUND FEE FOR CANCELLED CLASS	(10.00)
		2,777.50
RECREATION SERVICES		
PRESS-TIGE ENTERPRISES INC	8/20/22 AVR DRY CLEANING SERVICE	77.76
CAROLYN WOJCIECHOWSKI	FALL22-AFS140/144/186/190 LINE DANCE-33 PART	666.00
JENNIFER BALES	FALL2022-AFS265/263-8 PARTICIPANTS	528.00
PRESS-TIGE ENTERPRISES INC	11/12/22 AVR DRY CLEANING SERVICE	122.85
TIMOTHY DANA BOWEN	FALL 2022-AFS043-14 PARTICIPANTS	630.00
JOHN DAVID ALLEN JR	FALL2022- AFS107/104/101/031 TENNIS-26 PART	728.40

Vendor Name	Description (Item)	Amount
SUNBELT RENTALS, IN	NOV 2022 RANCH SCISSOR LIFT RENTAL	581.31
SONITROL ORANGE COUNTY LLC	NOV'22 AV&AVQ - ACCESS CONTROL SERVICE	113.56
SONITROL ORANGE COUNTY LLC	NOV'22 AVR - ACCESS CONTROL	485.78
SONITROL ORANGE COUNTY LLC	DEC'22 AV&AVQ - ACCESS CONTROL SERVICE	113.56
SONITROL ORANGE COUNTY LLC	DEC'22 AVR - ACCESS CONTROL SERVICE	485.78
FOSTERS' GARDENS INC	NOV'22 AV RANCH PLANT MAINTENANCE	110.00
HARBOR POINTE AIR CONDITIONING & CONTROL SYSTEMS, INC	11/7 AV RANCH HVAC PREVENTIVE MAINT	2,938.09
SKYHAWKS SPORTS ACADEMY, INC	FALL22-AFS202/201 MULTI SPORT-14 PART	1,278.00
FITNESS WITH FLAVOR LLC	FALL2022-AFS225/233/282/286-16 PART	547.20
MOULTON NIGUEL WATER DIST	10/17-11/14/22 MTR #0819 AV RANCH WATER SRV	117.67
MOULTON NIGUEL WATER DIST	10/24-11/21/22 MTR#1100 AV RANCH WATER SRV	119.42
MOULTON NIGUEL WATER DIST	10/17-11/14/22 MTR#5356 AV RANCH WATER SRV	326.44
MOULTON NIGUEL WATER DIST	10/17-11/14/22 MTR#7892/6534 AV RANCH WATER SRV	612.50
MOULTON NIGUEL WATER DIST	10/24-11/21/22 MTR #0958 AV RANCH WATER SERVICE	295.88
MOULTON NIGUEL WATER DIST	10/17-11/14/22 MTR #0973 AV RANCH WATER SERVICE	85.56
US BANK PURCHASING CARD PROGRAM	EM - GAFFERS TAPE FOR AV RANCH	32.22
US BANK PURCHASING CARD PROGRAM	EM - SIGN HOLDER 8.5X11 FOR AV RANCH	49.55
US BANK PURCHASING CARD PROGRAM	EM - BATTERIES FOR AV RANCH	27.99
GOTO COMMUNICATIONS	NOV'22 AVR GOTO VOIP SERVICE & SUPPORT	674.47
TANGENT COMPUTERS INC	AVR-10/23-11/22/21 MICROSOFT 365 E3 LICENSES	387.00
	RECREATION SERVICES TOTAL:	**12,134.99**
	GF-AV RECREATION SERVICES TOTAL:	**14,912.49**

203 - GAS TAX

TRAFFIC ENGINEERING

GMU GEOTECHNICAL INC	OCT'22 PAVEMENT EVALUATION PHASE II	11,238.45
	TRAFFIC ENGINEERING TOTAL:	**11,238.45**

STREET MAINTENANCE

EL TORO WATER DISTRICT	10/11-11/9/22 MTR #5675 CALLE CORTEZ WATER SERVICE	121.42
UNDERGROUND SERVICE ALERT OF SOUTHERN CA	DECEMBER 2022 DATABASE MAINT. + 33 TICKETS	67.75
BEAR ELECTRICAL SOLUTIONS INC	OCT'22 TRAFFIC SIGNAL MONITORING-ROUTINE	3,162.60
BEAR ELECTRICAL SOLUTIONS INC	OCT'22 TRAFFIC SIGNAL MONITORING-RESPONSE	11,017.70
R F DICKSON CO INC	CREDIT-OCT'22 STREET SWEEPING SERVICES	(2,979.85)
R F DICKSON CO INC	OCT'22 STREET SWEEPING SERVICES	8,668.66
MOULTON NIGUEL WATER DIST	10/24-11/21/22 MTR #8838 MEDIANS WATER SRV	183.71
MOULTON NIGUEL WATER DIST	10/24-11/21/22 MTR#6544 MEDIANS WATER SRV	381.76
MOULTON NIGUEL WATER DIST	10/24-11/21/22 MTR #2066 MEDIANS WATER SRV	102.10
SAN DIEGO GAS & ELECTRIC	OCT 2022 ACCT#6953 ST. LGHTS AND TRAFFIC CTRLRS	2,476.60
	STREET MAINTENANCE TOTAL:	**23,202.45**
	GAS TAX TOTAL:	**34,440.90**

215 - PUBLIC SAFETY GRANTS

LAW ENFORCEMENT-OTHER

US BANK PURCHASING CARD PROGRAM	CP-1ST RESPNDER 20 HANDCUFFS EQUIP/COPS	946.40
COUNTY OF ORANGE	OCT-DEC'22 800MHZ COST ALLOCATION	6,702.00
COUNTY OF ORANGE	NOV'22 AFIS	1,904.00
COUNTY OF ORANGE	DEC'22 MDC RECURRING	4,043.58
COUNTY OF ORANGE	DEC'22 MDC REPLACEMENT	1,550.49
COUNTY OF ORANGE	DEC'22 MOTORCYCLE REPLACEMENT COSTS	65.92
COUNTY OF ORANGE	DEC'22 E CITATION REPLACEMENT COSTS	91.82
COUNTY OF ORANGE	DEC'22 E CITATION RECURRING COSTS	291.45
COUNTY OF ORANGE	JULY'22 TECH DIVISION CHARGE	299.92
	LAW ENFORCEMENT-OTHER TOTAL:	**15,895.58**
	PUBLIC SAFETY GRANTS TOTAL:	**15,895.58**

251 - FEDERAL GRANTS

GEN-FEDERAL GRANT

MIKE LINARES INC	FY 21-22 CAPER PREPARATION	8,500.00
	GEN-FEDERAL GRANT TOTAL:	**8,500.00**
	FEDERAL GRANTS TOTAL:	**8,500.00**

Vendor Name	Description (Item)	Amount
260 - CITY FAC.-CONF. CENTER		
GEN-CONFERENCE CENTER		
US BANK PURCHASING CARD PROGRAM	KB - THE HOME DEPOT - PHOTOCELL REPLACEMENT	37.65
	GEN-CONFERENCE CENTER TOTAL:	**37.65**
	CITY FAC.-CONF. CENTER TOTAL:	**37.65**
261 - CITY FAC.-AQUATIC CENTER		
GEN-AQUATIC CENTER		
COX COMMUNICATIONS, INC	NOV'22 - ACCT#6701-AQ CTR INTERNET	495.97
GREAT SCOTT TREE SERVICE, INC	NOVEMBER 2022 AQUATIC CENTER TREE TRIMMING	3,970.00
NIEVES LANDSCAPE INC	NOV'22 AQ CTR LANDSCAPING SRV-BERMUDA SOD	260.28
MOULTON NIGUEL WATER DIST	10/17-11/14/22 MTR #6054 AQ CTR WATER SERVICE	349.51
MOULTON NIGUEL WATER DIST	10/17-11/14/22 MTR#2996 AQ CTR WATER SRV	226.69
US BANK PURCHASING CARD PROGRAM	KB - AQUATIC CENTER PUMP SPA CIRC.	1,571.40
US BANK PURCHASING CARD PROGRAM	KB - THE HOME DEPOT - AQ CTR PUMP LID REPAIR	59.36
	GEN-AQUATIC CENTER TOTAL:	**6,933.21**
	CITY FAC.-AQUATIC CENTER TOTAL:	**6,933.21**
311 - STREET IMPROVEMENTS		
ALL AMERICAN ASPHALT	SEP'22 #135 SLURRY SEAL & REHAB-RETENTION	(28,696.51)
ALL AMERICAN ASPHALT	OCT'22 #135 SLURRY SEAL & REHAB-RETENTION	(10,668.97)
		-39,365.48
STREETS & HIGHWAYS		
ALL AMERICAN ASPHALT	SEP'22 #135 SLURRY SEAL & REHAB	573,930.20
ALL AMERICAN ASPHALT	OCT'22 #135 SLURRY SEAL & REHAB	213,379.44
CIVIL SOURCE, AN NV5 COMPANY	OCTOBER 2022 #135FY22-23 SLURRY SEAL INSPECTION	10,850.00
	STREETS & HIGHWAYS TOTAL:	**798,159.64**
	STREET IMPROVEMENTS TOTAL:	**758,794.16**
331 - CAPITAL IMPROVEMENTS		
CAPITAL IMPROVEMENTS		
CT CONSTRUCTION SERVICES	NOVEMBER 2022 #057 SUITE 200 IMPROVEMENTS	7,788.00
CT CONSTRUCTION SERVICES	NOVEMBER 2022 #057 SUITE 200 IMPROVEMENTS	106,491.00
	CAPITAL IMPROVEMENTS TOTAL:	**114,279.00**
	CAPITAL IMPROVEMENTS TOTAL:	**114,279.00**
	GRAND TOTAL:	**1,881,455.71**

Fund Summary

Fund	Expense Amount	Payment Amount
101 - GENERAL FUND	924,077.44	924,077.44
102 - GEN. FD-CITY HALL	3,585.28	3,585.28
103 - GF-AV RECREATION SERVICES	14,912.49	14,912.49
203 - GAS TAX	34,440.90	34,440.90
215 - PUBLIC SAFETY GRANTS	15,895.58	15,895.58
251 - FEDERAL GRANTS	8,500.00	8,500.00
260 - CITY FAC.-CONF. CENTER	37.65	37.65
261 - CITY FAC.-AQUATIC CENTER	6,933.21	6,933.21
311 - STREET IMPROVEMENTS	758,794.16	758,794.16
331 - CAPITAL IMPROVEMENTS	114,279.00	114,279.00
Grand Total:	**1,881,455.71**	**1,881,455.71**

Accounts Payable 12/22/2022

Vendor Name	Description (Item)	Amount
101 - GENERAL FUND		
CALPERS HEALTH	DEC'22 CALPERS HEALTH PREMIUM - MD	719.78
CALPERS HEALTH	JAN'23 CALPERS HEALTH PREMIUM	27,181.20
CALPERS HEALTH	JAN'23-COUNCIL-CALPERS HEALTH PREMIUM	3,478.57
CHOICE BUILDER	DEC'22 DENTAL ADJ	(54.52)
CHOICE BUILDER	JAN'22 DENTAL INSURANCE	2,421.60
CHOICE BUILDER	DEC'22 VISION ADJ	22.08
CHOICE BUILDER	JAN'22 VISION INSURANCE	414.52
CALIFORNIA NEWSPAPERS PARTNERSHIP	REF0011568283-11/3 THE COMMONS SPA-DA-CUP PHN	595.20
DEPT OF CONSERVATION	JUL-SEP'22 SEISMIC MAPPING FEES	3,075.30
CA BUILDING STANDARDS COMMISSION	JUL-SEP'22 CA BLDG STANDARD ADMIN FEES	746.10
BLUE HOME SOLUTIONS	P#21-1967 35 TIMBERLAND_BLUE HOME SOLUTIONS INC.	500.00
BLUE HOME SOLUTIONS	P#22-0222_5 CRYSTALGLEN_BLUE HOME SOLUTIONS INC.	500.00
SIERRA ROOF INC	BLDR22-00173 -6 BRIARGLENN-SIERRA ROOF INC	500.00
PACIFIC TUSK BUILDERS	BLDC22-00040 -85 ENTERPRISE #450-PACIFIC TUSK BLDR	750.00
ADRIAN VAZQUEZ OLIVARES	BLDR-22-00370 2 BIRCHMONT-ADRIAN VAZQUEZ OLIVARES	500.00
STRONG AS STEELE CONSTRUCTION, INC	BLDR-2022-00379 - 12 BAY LAUREL	500.00
		41,849.83
CITY COUNCIL		
ROSS CHUN	RC - LOCC CONF T&E MILEAGE REIMBURSEMENT	212.23
	CITY COUNCIL TOTAL:	**212.23**
CITY MANAGER		
CALPERS HEALTH	JAN'23-PG-HEALTH PREMIUM	151.00
	CITY MANAGER TOTAL:	**151.00**
ECONOMIC DEVELOPMENT		
HAULAWAY STORAGE CONTAINERS INC	10/28-11/10/22 TOWN CENTER STORAGE BIN RENTAL	231.20
	ECONOMIC DEVELOPMENT TOTAL:	**231.20**
HUMAN RESOURCES		
STAPLES ADVANTAGE	HR - OFFICE SUPPLIES - FILE RAILS & SUPPLIES	212.48
	HUMAN RESOURCES TOTAL:	**212.48**
CITY CLERK		
SOUTHERN CALIFORNIA SHREDDING INC	SHREDDING-MIN SVC CHARGE 96-GAL BINS & ADDL BOXES	275.00
CALIFORNIA NEWSPAPERS PARTNERSHIP	NOV'22 LEGAL NOTICES	409.20
	CITY CLERK TOTAL:	**684.20**
FINANCE		
CALPERS HEALTH	JAN'23 CALPERS ADMIN FEE	98.03
CALPERS HEALTH	JAN'23 CALPERS ADMIN FEE	11.48
CHOICE BUILDER	JAN'22 ADMIN FEE	35.00
US BANK N.A. - CUSTODY	MAY'22 CUSTODIAN CHARGES	129.00
US BANK N.A. - CUSTODY	NOV'22 CUSTODIAN CHARGES	197.75
US BANK N.A. - CUSTODY	OCT'22 CUSTODIAN CHARGES	229.00
US BANK N.A. - CUSTODY	SEPT'22 CUSTODIAN CHARGES	231.00
HINDERLITER DE LLAMAS & ASSOCIATES	OCT-DEC'22 SALES TAX RECOVERY SERVICE	333.39
HINDERLITER DE LLAMAS & ASSOCIATES	OCT-DEC'22 SALES TAX CONTRACT SERVICE	1,662.45
	FINANCE TOTAL:	**2,927.10**
INFORMATION TECHNOLOGY		
COX COMMUNICATIONS, INC	DEC'22 ACCT #8802-CH-INTERNET	1,500.00
AT&T	NOV'22 - CH AT&T ELEVATOR LINE	1,329.09
NATHAN M KEETER	NOV'22 NETWORK SUPPORT & SECURITY ENGINEER	416.67
TIFFANY ACKLEY	TA - 12/9 - ELECTRONIC DEVICE REIMBURSEMENT	1,650.00
AT&T	OCT'22 - CH AT&T POT LINES	3,029.43
AT&T	NOV'22 - CH AT&T POT LINES	3,025.91
AT&T	NOV'22 CH - AT&T FIBER INTERNET	1,105.52
JOSE RUEL FABELLA DIRA	SEPT'22 ENERGOV & GIS SUPPORT	1,500.00
JOSE RUEL FABELLA DIRA	OCT'22 ENERGOV & GIS SUPPORT	1,800.00

Vendor Name	Description (Item)	Amount
JOSE RUEL FABELLA DIRA	NOV'22 GIS SUPPORT	1,000.00
US BANK PURCHASING CARD PROGRAM	IA-OCT'22 EOC YOUTUBE SUBSCR	64.99
US BANK PURCHASING CARD PROGRAM	IA-10/25 IT SUPPLIES HEADSETS - STAPLES	92.09
US BANK PURCHASING CARD PROGRAM	IA-NOV'22-23 SSLVPN.AVCITY.ORG-GODADDY	99.99
US BANK PURCHASING CARD PROGRAM	IA-NOV'22-23 AVFAMILYRESOURCECENT3ER.COM-GODADDY	20.17
US BANK PURCHASING CARD PROGRAM	IA-NOV'22-23 DOMAIN RENEWALS	103.31
US BANK PURCHASING CARD PROGRAM	IA-11/18 UPS BTRY REPLACEMENTS	108.56
US BANK PURCHASING CARD PROGRAM	IA-11/2 IT SUPPLIES 1TB SEAGATE - STAPLES	129.29
US BANK PURCHASING CARD PROGRAM	IA-NOV'22 WAITWHILE SUBSCRIPTION	159.00
US BANK PURCHASING CARD PROGRAM	IA-11/19 UPS BTRY REPLACEMENTS	174.09
US BANK PURCHASING CARD PROGRAM	IA-11/3 SHELF UNIT & BINS - HOME DEPOT	468.32
US BANK PURCHASING CARD PROGRAM	IA-NOV'22-23 AVCONFERENCECENTER.COM-GODADDY	20.17
US BANK PURCHASING CARD PROGRAM	IA-11/16 CORNER DESK CONNECTOR-AMZN	53.86
GOTO COMMUNICATIONS	DEC'22 CH GOTO VOIP SERVICE & SUPPORT	1,858.66
TANGENT COMPUTERS INC	FY22-23 365 - CH - LICENSES & SUPPORT	1,500.00
TANGENT COMPUTERS INC	NOV'22 O365 - CH - LICENSES & SUPPORT	2,999.86
TANGENT COMPUTERS INC	DEC'22 O365 - CH - LICENSES & SUPPORT	2,999.86
LUNAVI, INC	DEC'22 LUNAVI - OFFSITE BACKUP	1,402.96
US BANK PURCHASING CARD PROGRAM	RC - 11/22 - 2 VIVO DUAL MONITOR DESK MOUNTS	75.40
	INFORMATION TECHNOLOGY TOTAL:	**28,687.20**
NON-DEPARTMENTAL		
URBAN CROSSROADS INC	NOV'22 - AV RANCH NOISE ASSESSMENT	1,744.05
RICOH USA	NOV'22 RICOH 2504 BACK OFFICE-COPIES	36.02
RICOH USA	NOV'22 RICOH 2504EX FRONT COUNTER-COPIES	126.24
RICOH USA	DEC'22 RICOH 2504 BACK OFFICE-COPIES	115.18
NIEVES LANDSCAPE INC	DEC'22 VISTA LANDSCAPING	1,028.96
CERTIFIED RECORDS MANAGEMENT	DEC'22 - OFF SITE STORAGE RECORDS	516.19
NEWPORT RIB COMPANY INCORPORATED	CITY HOLIDAY LUNCHEON 2022	1,168.66
	NON-DEPARTMENTAL TOTAL:	**4,735.30**
C. S. ADMINISTRATION		
PV MAINTENANCE INC	TREE LIGHTING 2022- PVM SUPPORT	921.50
CALPERS HEALTH	JAN'23-DP-HEALTH PREMIUM	151.00
CALPERS HEALTH	JAN'23-HW-HEALTH PREMIUM	151.00
SPECIAL EVENT CONTRACTORS LLC	HOLIDAY TREE PLATFORM PERMIT FEE DEC 2022	366.13
M&J PAUL ENTERPRISES INC	BREAKFAST WITH SANTA--JOLLY JUMP RENTALS	752.50
ADVANTAGE MAILING, LLC	DEC'2022 - WINTER BROCHURE PRINTING	17,816.80
ALLIANT INSURANCE SERVICES INC	HIRING FAIR EVENT INSURANCE - 3/4/23	329.00
ALLIANT INSURANCE SERVICES INC	SING 2 MOVIE NIGHT INSURANCE	329.00
CANYON CATERING & EVENTS INC	BREAKFAST W/ SANTA 2022- FINAL BALANCE	1,719.31
US BANK PURCHASING CARD PROGRAM	11/22/22 - JL OUTLET COVERS FOR AV RANCH	6.45
US BANK PURCHASING CARD PROGRAM	11/22/22 - JL WHITEBOARD ERASERS FOR AV RANCH	9.69
	C. S. ADMINISTRATION TOTAL:	**22,552.38**
IGLESIA PARK		
PV MAINTENANCE INC	NOV'22 IGLESIA PARK MAINTENANCE	507.00
NIEVES LANDSCAPE INC	DEC'22 IGLESIA LANDSCAPING	6,846.00
SO CAL EDISON	NOV'22 ACCT #7997 IGLESIA PARK	273.14
	IGLESIA PARK TOTAL:	**7,626.14**
IGLESIA BUILDING		
SO CAL EDISON	NOV'22 ACCT #7997 IGLESIA BLDG	763.09
PV MAINTENANCE INC	NOV'22 IGLESIA CENTER MAINTENANCE	743.00
ZAPP PEST MANAGEMENT	DEC'22 IGLESIA PEST CONTROL	75.00
ENTRY CONTROL, INC	DEC'22 IGLESIA LOCKS	208.94
HARBOR POINTE AIR CONDITIONING & CONTROL SYSTEMS, INC	DEC'22 - IGLESIA HVAC	182.85
	IGLESIA BUILDING TOTAL:	**1,972.88**
PLANNING		
CALPERS HEALTH	JAN'23-MF-HEALTH PREMIUM	151.00
CIVIC SOLUTIONS INC	OCT'22 CONTRACT PLANNING SERVICES	12,030.00
REBECCA J CAHA	NOV'22 AFFORDABLE HOUSING PROFESSIONAL SERVICES	1,412.50
CALIFORNIA NEWSPAPERS PARTNERSHIP	REF0011568452-11/3 PLHA FUNDING PHN	508.40
US BANK PURCHASING CARD PROGRAM	IA-OCT'22 CONSTANTCONTACT.COM SUBSCR	45.00
BRIAN JAMES CORNELIUS	NOV/DEC 2022 - PROFESSIONAL CONSULTANT SERVICES	7,200.00
	PLANNING TOTAL:	**21,346.90**

Vendor Name	Description (Item)	Amount
ENGINEERING (GENERAL)		
PV MAINTENANCE INC	DEC'22 WAREHOUSE LEASE	1,035.00
RICHARD FISHER ASSOCIATES	NOV'22 ON CALL LANDSCAPE & ARCHITECTURAL SERVICES	3,530.94
MOULTON NIGUEL WATER DIST	OCT'22 H2O FOR HOAS EVENT - CITY CONTRIB.	1,000.00
STATE WATER RESOURCES CONTROL BOARD	FY22-23 NPDES PERMIT FEE	26,498.00
	ENGINEERING (GENERAL) TOTAL:	**32,063.94**
STREET MAINTENANCE		
PV MAINTENANCE INC	NOV'22 STREET MAINTENANCE	16,037.72
	STREET MAINTENANCE TOTAL:	**16,037.72**
EOC		
STAPLES ADVANTAGE	PUBLIC SAFETY - SUPPLIES	81.63
	EOC TOTAL:	**81.63**
	GENERAL FUND TOTAL:	**181,372.13**
102 - GEN. FD-CITY HALL		
NON-DEPARTMENTAL		
THE GAS COMPANY	NOV'22 MTR#6544 CITY HALL	801.00
PV MAINTENANCE INC	NOV'22 CITY HALL MAINTENANCE	193.00
ALISO VIEJO COMMUNITY ASSOCIATION	JAN-MAR'23 35 PLAYA MASTER HOA FEES	125.12
ALISO VIEJO COMMUNITY ASSOCIATION	JAN-MAR'23 CITY HALL MASTER HOA FEES	1,787.77
ZAPP PEST MANAGEMENT	DEC'22 CITY HALL PEST CONTROL	75.00
ENTRY CONTROL, INC	OCT'22 CITY HALL LOCKS	43.70
HARBOR POINTE AIR CONDITIONING & CONTROL SYSTEMS, INC	DEC'22 CITY HALL HVAC	1,786.65
NIEVES LANDSCAPE INC	DEC'22 CITY HALL LANDSCAPING	678.00
THURSTON ELEVATOR CONCEPTS INC	DEC'22 CH STATE REQUIRED TEST 1	1,325.00
THURSTON ELEVATOR CONCEPTS INC	DEC'22 CH ELEVATOR DOOR REOPEN DEV REPLCMNT	2,810.00
SO CAL EDISON	NOV'22 ACCT #7189 CITY HALL	4,815.45
	NON-DEPARTMENTAL TOTAL:	**14,440.69**
	GEN. FD-CITY HALL TOTAL:	**14,440.69**
103 - GF-AV RECREATION SERVICES		
DIANA ROXANA DRAGOTA	PRORATEDS REFUND DUE TO RAIN - ENZO	22.00
DIANA ROXANA DRAGOTA	PRORATEDS REFUND DUE TO RAIN - TIAGO	22.00
		44.00
RECREATION SERVICES		
ROUND STAR WEST, LLC	FALL 2022-AFS033-AFS037-AFS038-AFS039-25 PART.	1,665.00
WADORYU USA INC	FALL 2022-AFS148-AFS095-3 PARTICIPANTS	133.00
CLICKSTART DOG TRAINING ACADEMY, LLC	FALL 2022-AFS122-5 PARTICIPANTS	1,035.00
READWRITE EDUCATIONAL SOLUTIONS INC	FALL 2022-AFS272- 3 PARTICIPANTS	549.00
RACHEL M WESTFALL	FALL 2022-AFS254 12 PARTICIPANTS	360.00
BREAKTHROUGH SPORTS LLC	FALL 2022-AFS114-AFS042-17 PARTICIPANTS	580.20
ZAPP PEST MANAGEMENT	DEC'22 RANCH PEST CONTROL	95.00
AT&T	OCT'22 - AVR AT&T POT LINES & INTERNET	1,009.80
AT&T	NOV'22 - AVR AT&T POT LINES & INTERNET	1,009.00
TEAM ONE MANAGEMENT SERVICES	NOV'22 RANCH JANITORIAL	5,380.00
LYONS SECURITY SERVICE IN	NOV'22 AVR EVENT SECURITY SERVICES	2,912.00
CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC	DECEMBER 2022 RANCH SIDE PATH LIGHTING PARTS	240.22
CINTAS CORPORATION NO. 2	DEC'22 - AVR FIRST AID SERVICES	120.69
NIEVES LANDSCAPE INC	DEC'22 RANCH LANDSCAPING	2,262.67
STAPLES ADVANTAGE	NOV'22 RCS OFFICE SUPPLIES	41.23
SKYHAWKS SPORTS ACADEMY, INC	FALL 2022-AFS200-12 PARTICIPANTS	1,080.00
EVER AFTER EVENT PRODUCTIONS LLC	FALL22-015-016-003-004-081-082-012-013-006-47 PART	2,896.95
MANHATTAN STITCHING COMPANY INC	STAFF POLO ORDER	1,513.89
GOTO COMMUNICATIONS	DEC'22 AVR GOTO VOIP SERVICE & SUPPORT	674.47
TANGENT COMPUTERS INC	NOV'22 O365 - AVR - LICENSES & SUPPORT	529.39
TANGENT COMPUTERS INC	DEC'22 O365 - AVR - LICENSES & SUPPORT	529.39
SO CAL EDISON	NOV'22 ACCT #4551 FARM	689.73
SO CAL EDISON	NOV'22 ACCT #6247 RANCH TRACKED CHRGS	1,014.07
SO CAL EDISON	NOV'22 ACCT #6247 RANCH	2,699.67
	RECREATION SERVICES TOTAL:	**29,020.37**
	GF-AV RECREATION SERVICES TOTAL:	**29,064.37**

Vendor Name	Description (Item)	Amount
203 - GAS TAX		
TRAFFIC ENGINEERING		
HARTZOG & CRABILL INC	NOV'22 TRAFFIC SIGNAL MONITORING	1,125.00
RK ENGINEERING GROUP INC	NOV'22 CITYWIDE ADT FLOW MAP	2,500.00
RK ENGINEERING GROUP INC	WOOD CANYON DRIVE TRAFFIC REVIEW	10,640.00
	TRAFFIC ENGINEERING TOTAL:	**14,265.00**
STREET MAINTENANCE		
PV MAINTENANCE INC	NOV'22 STREET MAINTENANCE (GAS)	19,601.65
NIEVES LANDSCAPE INC	DEC'22 MEDIANS LANDSCAPING	1,586.00
SO CAL EDISON	NOV'22 - ST LGHTS - GS1, LS1, LS2, TC1	3,796.18
SO CAL EDISON	NOV'22 ACCT#7241	15,851.30
SO CAL EDISON	NOV'22 ACCT #6377	1,122.42
	STREET MAINTENANCE TOTAL:	**41,957.55**
	GAS TAX TOTAL:	**56,222.55**
215 - PUBLIC SAFETY GRANTS		
LAW ENFORCEMENT-OTHER		
COUNTY OF ORANGE	DEC'22 AFIS	1,904.00
	LAW ENFORCEMENT-OTHER TOTAL:	**1,904.00**
	PUBLIC SAFETY GRANTS TOTAL:	**1,904.00**
241 - TECHNOLOGY FUND		
GEN-TECHNOLOGY GRANTS		
ERIC WINTER	NOV'22 - CC MTGS TELEVISE	940.39
	GEN-TECHNOLOGY GRANTS TOTAL:	**940.39**
	TECHNOLOGY FUND TOTAL:	**940.39**
245 - DEVELOPMENT IMPACT		
GEN-DEVELOPMENT IMPACT		
SO CAL EDISON	NOVEMBER 2022 ACCT #4556 38 COLONIAL WAY	95.37
THE GAS COMPANY	NOVEMBER 2022 METER 13223825 38 COLONIAL WAY	13.01
TEAM ONE MANAGEMENT SERVICES	NOV'22 - 38 COLONIAL WAY DEEP CLEAN	540.00
	GEN-DEVELOPMENT IMPACT TOTAL:	**648.38**
	DEVELOPMENT IMPACT TOTAL:	**648.38**
251 - FEDERAL GRANTS		
GEN-FEDERAL GRANT		
CALIFORNIA NEWSPAPERS PARTNERSHIP	REF0011568588-11/3&10 2022 BUILDING CODE PHN	900.60
	GEN-FEDERAL GRANT TOTAL:	**900.60**
	FEDERAL GRANTS TOTAL:	**900.60**
261 - CITY FAC.-AQUATIC CENTER		
PREMIER AQUATIC SERVICES	NOV'22 MANAGEMENT FEE RETENTION	(1,208.30)
		-1,208.30
GEN-AQUATIC CENTER		
PREMIER AQUATIC SERVICES	NOVEMBER-INDEED HIRING SWIM INSTRUCTOR	300.00
ZAPP PEST MANAGEMENT	DEC'22 AQUATIC PEST CONTROL	75.00
PREMIER AQUATIC SERVICES	NOV'22 MANAGEMENT FEES	12,083.00
HARBOR POINTE AIR CONDITIONING & CONTROL SYSTEMS, INC	DEC'22 - AQUATIC CENTER HVAC	248.89
NIEVES LANDSCAPE INC	DEC'22 AQUATIC CENTER LANDSCAPING	912.48
STAPLES ADVANTAGE	NOV'22 AQUATIC CENTER OFFICE SUPPLIES	266.19
HASA INC	DEC'22 AQC POOL CHEMICAL MAINTENANCE	173.79
HASA INC	DEC'22 AQC POOL CHEMICAL MAINTENANCE	1,130.50
HASA INC	DEC'22 AQC POOL CHEMICAL MAINTENANCE	404.74
PREMIER AQUATIC SERVICES	CONCESSIONS	107.12
PREMIER AQUATIC SERVICES	SWIM INSTRUCTOR PONCHOS	525.00
PREMIER AQUATIC SERVICES	SUMMER DECOR	113.14
PREMIER AQUATIC SERVICES	DECEMBER DECOR	177.69
PREMIER AQUATIC SERVICES	NOV. FACEBOOK SWIM AD	300.18
THE GAS COMPANY	NOV'22 MTR#2349 AQUATIC	4,924.37
KNORR SYSTEMS INC	NOV'22 MONTHLY MAINTENANCE	1,792.64

Vendor Name	Description (Item)	Amount
STGSD, INC	AQ CTR - GOOGLES - CAPS	709.15
	GEN-AQUATIC CENTER TOTAL:	**24,243.88**
	CITY FAC.-AQUATIC CENTER TOTAL:	**23,035.58**
311 - STREET IMPROVEMENTS		
TRAFFICE SAFETY		
HARTZOG & CRABILL INC	NOV'22 #130 ALISO CREEK TRAFFIC SIGNAL SYNC	380.00
	TRAFFICE SAFETY TOTAL:	**380.00**
STREETS & HIGHWAYS		
CIVIL SOURCE, AN NV5 COMPANY	JULY'22 #136 ALISO CREEK REHAB INSPECTIONS	4,290.00
ENGINEERING RESOURCES OF SOUTHERN CALIFORNIA	NOV'22 #134 ALISO CREEK REHAB DESIGN	390.00
ENGINEERING RESOURCES OF SOUTHERN CALIFORNIA	NOV'22 ENTERPRISE REHAB - ACR TO AVP DESIGN	1,345.50
	STREETS & HIGHWAYS TOTAL:	**6,025.50**
	STREET IMPROVEMENTS TOTAL:	**6,405.50**
331 - CAPITAL IMPROVEMENTS		
CAPITAL IMPROVEMENTS		
CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC	OCTOBER 2022 CH 2ND FLOOR IMPROV. LIGHTING PARTS	433.16
	CAPITAL IMPROVEMENTS TOTAL:	**433.16**
	CAPITAL IMPROVEMENTS TOTAL:	**433.16**
332 - STORM WATER		
DRAINAGE IMPROVEMENTS		
PV MAINTENANCE INC	NOV'22 #030 WOOD CANYON MAINTENANCE	965.00
	DRAINAGE IMPROVEMENTS TOTAL:	**965.00**
	STORM WATER TOTAL:	**965.00**
741 - RENEWABLE FARMS		
AARON FLORA	NOV'22 RENEWABLE FARMS - RETENTION	(2,557.25)
		-2,557.25
RECREATION SERVICES		
AARON FLORA	NOV'22 RENEWABLE FARMS - PAYMENT	25,572.50
	RECREATION SERVICES TOTAL:	**25,572.50**
	RENEWABLE FARMS TOTAL:	**23,015.25**
	GRAND TOTAL:	**339,347.60**

Fund Summary

Fund	Expense Amount	Payment Amount
101 - GENERAL FUND	181,372.13	181,372.13
102 - GEN. FD-CITY HALL	14,440.69	14,440.69
103 - GF-AV RECREATION SERVICES	29,064.37	29,064.37
203 - GAS TAX	56,222.55	56,222.55
215 - PUBLIC SAFETY GRANTS	1,904.00	1,904.00
241 - TECHNOLOGY FUND	940.39	940.39
245 - DEVELOPMENT IMPACT	648.38	648.38
251 - FEDERAL GRANTS	900.60	900.60
261 - CITY FAC.-AQUATIC CENTER	23,035.58	23,035.58
311 - STREET IMPROVEMENTS	6,405.50	6,405.50
331 - CAPITAL IMPROVEMENTS	433.16	433.16
332 - STORM WATER	965.00	965.00
741 - RENEWABLE FARMS	23,015.25	23,015.25
Grand Total:	**339,347.60**	**339,347.60**

Accounts Payable - 01/05/23

Vendor Name	Description (Item)	Amount
101 - GENERAL FUND		
UNITED OF OMAHA LIFE INSURANCE CO.	LIFE INSURANCE_JAN 2023	1,386.29
RJM DESIGN GROUP INC	NOV 22 AV#2252 THE COMMONS 2ND PLAN CHECK	1,112.25
STC TRAFFIC, INC	TRAFFIC REPORT PEER REVIEW PO#5882	862.50
HF&H CONSULTANTS LLC	NOV 2022 SOLID WASTE AUDIT	2,666.25
ADRIAN VAZQUEZ OLIVARES	BLDR-2022-00409-8 BIRCHMONT-ADRIAN VAZQUEZ OLIVARE	500.00
		6,527.29
CITY COUNCIL		
ERIC SIMONSON	12/13 - MD - COUNCIL PORTRAIT	339.41
	CITY COUNCIL TOTAL:	**339.41**
CITY MANAGER		
CALIFORNIA ASSSOCIATION OF PUBLIC INFORMATION OFFICIA...	C.CHENG-MEMBERSHIP RENEWAL THRU 2/1/2024	275.00
US BANK PURCHASING CARD PROGRAM	DD-CM FASTRACK/TOLL ROADS MONTHLY CHARGES	335.00
	CITY MANAGER TOTAL:	**610.00**
ECONOMIC DEVELOPMENT		
US BANK PURCHASING CARD PROGRAM	TEAM BUILDING	113.68
KOSMONT & ASSOCIATES	NOV 2022 ECONOMIC DEVELOPMENT SERVICES	5,181.46
	ECONOMIC DEVELOPMENT TOTAL:	**5,295.14**
HUMAN RESOURCES		
CHARLES C STILL	NOV'22-GS/LT/AK/MS/JL/RM SECURE LIVE SCAN FEES	372.00
SOUTH COAST MEDICAL GROUP	TB TESTS & EMPLOYEE EXAMS & FLU SHOTS - OCT'22	250.00
	HUMAN RESOURCES TOTAL:	**622.00**
CITY CLERK		
MITZI ORTIZ	MO-12/7-9/22 CALCITIES SEM REIMB_AIRFARE & MILEAGE	313.38
ICC GENERAL CODE, INC	MUNICIPAL CODE WEB UPDATE	264.75
US BANK PURCHASING CARD PROGRAM	MO-HOTEL STAY HYATT REGENCY_LCC 2022 CITY CLERKS	423.84
	CITY CLERK TOTAL:	**1,001.97**
CITY ATTORNEY		
BEST BEST & KRIEGER	NOV'22 BBK - GENERAL LITIGATION PO#5824	75,051.55
	CITY ATTORNEY TOTAL:	**75,051.55**
FINANCE		
PARS	OCT'22 PARS REP FEES	300.00
US BANK N.A. - CUSTODY	DEC 2022 CUSTODIAN CHARGES	185.75
	FINANCE TOTAL:	**485.75**
INFORMATION TECHNOLOGY		
MAXON E DUNCAN	MD - 12/22 - ELECTRONIC DEVICE REIMBURSEMENT	1,650.00
AMERICOMP GROUP IMAGING LLC	HP PLOTTER INK SUPPLIES	1,508.42
SHI INTERNATIONAL CORP	SHI MANAGED ENGINE DEPLOYER ANNUAL SUB. NOV22-23	1,710.00
COX COMMUNICATIONS, INC	DEC 2022 ACCT#0202-CH-TV/CABLE	173.87
COX COMMUNICATIONS, INC	DEC 2022 ACCT #9302-CH-IT SERVER ROOM	85.39
TANGENT COMPUTERS INC	CH DEC'22-JAN'23 MICROSOFT 365 E3 LICENSES & SUP	2,999.86
	INFORMATION TECHNOLOGY TOTAL:	**8,127.54**
NON-DEPARTMENTAL		
NESTLE WATERS NORTH AMERICA	DEC'22-CH-COFFEE/WATER FILTRATION & FLTR SVCE	53.83
DS SERVICES OF AMERICA, INC	12/8/22 BOTTLED WATER FOR CH	107.81
RICOH USA	DEC'22 RICOH RSI CLOUD SUBSCRIPTION SW1860708	22.05
CINTAS CORPORATION NO. 2	JAN 2023 CITY HALL FIRST AID SUPPLIES	160.83
ALISO VIEJO SELF STORAGE	JAN-JUN 2023 STORAGE RENT #519	2,070.00
ALISO VIEJO SELF STORAGE	JAN-JUNE 2023 STORAGE RENT #535	2,700.00
QUADIENT FINANCE USA, INC	12/28/22 POSTAGE	500.00
MOULTON NIGUEL WATER DIST	NOV 2022 MTR#2206	516.80
US BANK PURCHASING CARD PROGRAM	LL-COSTCO DELIVERY	260.04
US BANK PURCHASING CARD PROGRAM	LL-FORKS FOR RECPTN_TARGET	4.30
US BANK PURCHASING CARD PROGRAM	LL-PLATE PASS MO. SUBS 12/14-1/14/22_URBAN PLATES	5.00

Vendor Name	Description (Item)	Amount
US BANK PURCHASING CARD PROGRAM	LL-SUPPLIES FOR RECPTN_PARTY CITY	35.52
US BANK PURCHASING CARD PROGRAM	LL-COFFEE TRAVELERS FOR RECPTN_RALPHS & STARBUCKS	55.90
US BANK PURCHASING CARD PROGRAM	LL-BUNDTINIS FOR RECPTN_NOTHING BUNDT CAKES	96.00
US BANK PURCHASING CARD PROGRAM	LL-CC DINNER 12/14_URBAN PLATES	250.23
	NON-DEPARTMENTAL TOTAL:	**6,838.31**
C. S. ADMINISTRATION		
SPECIAL EVENT CONTRACTORS LLC	SEC- HOLIDAY TREE PLATFORM	2,825.00
CABCO YELLOW INC	NOV 2022 SMP R&CS CONTRIBUTION	381.50
JONES FOREST PRODUCTS LLC	HOLIDAY TREE REMOVAL	1,500.00
US BANK PURCHASING CARD PROGRAM	MO-META ADS_REC LDR HIRE HEALTH FAIR & BF W/ SANTA	72.74
	C. S. ADMINISTRATION TOTAL:	**4,779.24**
IGLESIA PARK		
EL TORO WATER DISTRICT	NOV 2022 MTR#3499 IGLESIA PARK	424.95
EL TORO WATER DISTRICT	NOV 2022 MTR#4114 IGLESIA PARK	386.79
	IGLESIA PARK TOTAL:	**811.74**
IGLESIA BUILDING		
TEAM ONE MANAGEMENT SERVICES	DEC 2022 IGLESIA JANITORIAL MAINTENANCE	950.00
EL TORO WATER DISTRICT	NOV 2022 MTR#5016 IGLESIA BLDG	219.11
	IGLESIA BUILDING TOTAL:	**1,169.11**
IGLESIA PARK COMMUNITY CENTER		
BOYS & GIRLS CLUB OF CAPISTRANO VALLEY	NOV 2022 ELEMENTARY & TEEN KEYSTONE PROGRAM	20,166.46
	IGLESIA PARK COMMUNITY CENTER TOTAL:	**20,166.46**
PLANNING		
US BANK PURCHASING CARD PROGRAM	HOLIDAY LUNCHEON	321.84
	PLANNING TOTAL:	**321.84**
ENGINEERING (GENERAL)		
US BANK PURCHASING CARD PROGRAM	KB-THE HOMEDEPOT - TRUCK STOCK	112.00
COUNTY OF ORANGE	FY22-23 CO-PERMITTEE SHARED COST - NPDES	20,169.44
COUNTY OF ORANGE	FY22-23 CO-PERMITTEE SHARED COST - NPDES	97,650.24
	ENGINEERING (GENERAL) TOTAL:	**117,931.68**
LAW ENFORCEMENT-CONTRACT		
COUNTY OF ORANGE	JAN 2023 LAW ENFORCEMENT	798,643.94
COUNTY OF ORANGE	JAN 2023 BODY WORN CAMERA	13,912.44
COUNTY OF ORANGE	JAN 2023 CONTRACT PAYMENT CREDIT	(2,066.06)
COUNTY OF ORANGE	JAN 2023 IN CAR VIDEO	7,823.85
	LAW ENFORCEMENT-CONTRACT TOTAL:	**818,314.17**
LAW ENFORCEMENT-OTHER		
US BANK PURCHASING CARD PROGRAM	SL - HOTEL FOR CA EMERGNCY SVCS CONF	245.71
OC HARLEY DAVIDSON	REPAIRS TO LE PATROL MOTORCYCLE VIN#8767	572.80
OC HARLEY DAVIDSON	REPAIRS TO LE PATROL MOTORCYCLE VIN#1944	1,789.00
OC HARLEY DAVIDSON	REPAIRS TO LE PATROL MOTORCYCLE VIN#8767	1,207.54
OC HARLEY DAVIDSON	REPAIRS FOR LE PATROL MOTORCYCLE VIN #8767	861.55
OC HARLEY DAVIDSON	REPAIRS TO LE PATROL MOTORCYCLE VIN#8767	651.92
OC HARLEY DAVIDSON	REPAIRS TO LE PATROL MOTORCYCLE VIN#8767	514.57
OC HARLEY DAVIDSON	REPAIRS TO LE PATROL MOTOCYCLE VIN#1944	230.00
J&M TROPHIES INC	NAME PLATES FOR SGT DIERCKMAN/CSO MASTEN	51.72
J&M TROPHIES INC	DEPUTY OF THE YEAR PLAQUE	17.24
	LAW ENFORCEMENT-OTHER TOTAL:	**6,142.05**
EOC		
US BANK PURCHASING CARD PROGRAM	SL - CA EMRGNCY SRVS ASSOC 2023 MEMBERSHIP DUES	75.00
US BANK PURCHASING CARD PROGRAM	SL - EMRGNCY KIT ITEMS FOR CITY STAFF	456.35
	EOC TOTAL:	**531.35**
	GENERAL FUND TOTAL:	**1,075,066.60**

102 - GEN. FD-CITY HALL

NON-DEPARTMENTAL

TEAM ONE MANAGEMENT SERVICES	DEC 2022 CITY HALL JANITORIAL MAINTENANCE	4,070.00
ENTRY CONTROL, INC	NOV 2022 CITY HALL LOCKS	236.94
FOSTERS' GARDENS INC	DEC 2022 CITY HALL PLANT MAINTENANCE	115.00
MOULTON NIGUEL WATER DIST	NOV 2022 MTR#8510	158.63
MOULTON NIGUEL WATER DIST	NOV 2022 MTR#6010	83.09

Vendor Name	Description (Item)	Amount
MOULTON NIGUEL WATER DIST	NOV 2022 MTR#7051	326.44
PACIFIC PARK II ASSOCIATION	JAN 2023 CITY HALL HOA FEES	347.27
US BANK PURCHASING CARD PROGRAM	KB-THE HOMEDEPOT- PAINT SUPPLIES & BATTERIES	117.10
US BANK PURCHASING CARD PROGRAM	KB-THE HOMDEPOT - CENTER PUNCH	18.29
	NON-DEPARTMENTAL TOTAL:	**5,472.76**
	GEN. FD-CITY HALL TOTAL:	**5,472.76**

103 - GF-AV RECREATION SERVICES

RECREATION SERVICES

TLP EDUCATION LLC	FALL 2022-AFS126-2 PARTICIPANTS	168.00
ROXANNE BELL	FALL 2022-AFS133-1 PARTICIPANT	87.50
OC PLAYBALL EPC	FALL 2022-AFS027-4 PARTICIPANTS	192.00
READWRITE EDUCATIONAL SOLUTIONS INC	FALL 2022-AFS278-0 PARTICPANTS	7.20
CAROLYN WOJCIECHOWSKI	FALL 2022-AFS141-AFS145-AFS187-23 PARTICIPANTS	522.00
FITNESS WITH FLAVOR LLC	FALL 2022-AFS227-4 PARTICIPANTS	48.00
SKYHAWKS SPORTS ACADEMY, INC	FALL 2022-AFS206-AFS207-12 PARTICIPANTS	403.20
CAROLYN LONG	FALL 2022-AFS174-5 PARTICIPANTS	300.00
BETTER LIFE HEALTH INC	FALL 2022-AFS195-2 PARTICIPANTS	96.00
JENNIFER ANDRUS-NELSON	FALL 2022-AFS054-9 PARTICIPANTS	183.60
TEAM ONE MANAGEMENT SERVICES	OCT 2022 RANCH JANITORIAL SERVICES	5,300.00
FOSTERS' GARDENS INC	DEC 2022 RANCH PLANT MAINTENANCE	110.00
NIEVES LANDSCAPE INC	DEC 2022 RANCH PEPPER TREES + BUBBLERS INSTALL	4,149.52
MOULTON NIGUEL WATER DIST	NOV 2022 MTR#0819	117.67
MOULTON NIGUEL WATER DIST	NOV 2022 MTR#5356	326.44
MOULTON NIGUEL WATER DIST	NOV 2022 MTR#7892/#6534	565.30
MOULTON NIGUEL WATER DIST	NOV 2022 MTR#0973	85.56
TANGENT COMPUTERS INC	AVR DEC'22-JAN'23 MICROSOFT 365 E3 LICENSES & SUP	529.39
US BANK PURCHASING CARD PROGRAM	KB-ADVANCE AUTO PARTS - GAS CAN FOR POWER WASHER	21.54
US BANK PURCHASING CARD PROGRAM	KB-ADVC AUTO PARTS - CLNE FOR RANCH PRKNG LOT	29.26
US BANK PURCHASING CARD PROGRAM	KB-THE HOMEDEPOT - AUTO DOOR CLOSURE FOR BUNKHOUSE	69.97
US BANK PURCHASING CARD PROGRAM	KB-FLEX FIRE LEDS - TRSFMR FARM PATHWAY LITE	161.63
	RECREATION SERVICES TOTAL:	**13,473.78**
	GF-AV RECREATION SERVICES TOTAL:	**13,473.78**

203 - GAS TAX

STREET MAINTENANCE

BEAR ELECTRICAL SOLUTIONS INC	NOV 2022 TRAFFIC SIGNAL MONITORING	3,162.60
BEAR ELECTRICAL SOLUTIONS INC	NOV 2022 TRAFFIC SIGNAL MONITORING	12,612.60
EL TORO WATER DISTRICT	NOV 2022 MTR#5675 CALLE CORTEZ	145.14
SO CAL EDISON	NOV 2022 ACCT#2125 GS1	11.16
SAN DIEGO GAS & ELECTRIC	NOV 2022 ACCT#6953 ST LGHTS & TRAFFIC CONTROLLERS	2,488.01
	STREET MAINTENANCE TOTAL:	**18,419.51**
	GAS TAX TOTAL:	**18,419.51**

204 - MEASURE M

GEN-MEASURE M

CABCO YELLOW INC	NOV 2022 SMP M2 FUND	1,526.00
	GEN-MEASURE M TOTAL:	**1,526.00**
	MEASURE M TOTAL:	**1,526.00**

215 - PUBLIC SAFETY GRANTS

LAW ENFORCEMENT-OTHER

COUNTY OF ORANGE	JAN 2023 MOTORCYCLE REPLACEMENT COSTS	65.92
COUNTY OF ORANGE	JAN 2023 MDC RECURRING	4,043.58
COUNTY OF ORANGE	JAN 2023 E CITATION RECURRING COSTS	291.45
COUNTY OF ORANGE	JAN 2023 E CITATION REPLACEMENT COSTS	91.82
COUNTY OF ORANGE	JAN 2023 MDC REPLACEMENT	1,550.49
	LAW ENFORCEMENT-OTHER TOTAL:	**6,043.26**
	PUBLIC SAFETY GRANTS TOTAL:	**6,043.26**

Vendor Name	Description (Item)	Amount
225 - INTEGRATED WASTE MGMT FD		
GEN-BEV CONTAINER RECYCLE		
GENEVA SCIENTIFIC INC	IGLESIA TRASH CANS	3,968.11
	GEN-BEV CONTAINER RECYCLE TOTAL:	**3,968.11**
	INTEGRATED WASTE MGMT FD TOTAL:	**3,968.11**
241 - TECHNOLOGY FUND		
GEN-TECHNOLOGY GRANTS		
GRANICUS INC	JAN-MAR 2023 GRANICUS	3,973.26
ERIC WINTER	DEC 2022 CC MTGS TELEVISE	444.96
	GEN-TECHNOLOGY GRANTS TOTAL:	**4,418.22**
	TECHNOLOGY FUND TOTAL:	**4,418.22**
245 - DEVELOPMENT IMPACT		
GEN-DEVELOPMENT IMPACT		
JANELLE PALACIOS	NOV 2022 38 COLONIAL WAY WINDOW COVERINGS	1,937.16
ASTRO PAINTING CO. INC	38 COLONIAL WAY INTERIOR PAINTING	8,400.00
ALISO VIEJO COMMUNITY ASSOCIATION	OCT 22- JAN 2023 38 COLONIAL WAY HOA FEES	532.46
	GEN-DEVELOPMENT IMPACT TOTAL:	**10,869.62**
	DEVELOPMENT IMPACT TOTAL:	**10,869.62**
261 - CITY FAC.-AQUATIC CENTER		
GEN-AQUATIC CENTER		
TEAM ONE MANAGEMENT SERVICES	DEC 2022 AQUATIC CENTER JANITORIAL	2,100.00
NIEVES LANDSCAPE INC	DEC 2022 AQC BERMUDA SOD	260.28
ALARM CONNECTIONS, LLC	JAN-MARCH 2023 AQC FIRE ALARM MONITORING	152.88
MOULTON NIGUEL WATER DIST	NOV 2022 MTR#6054	269.78
MOULTON NIGUEL WATER DIST	NOV 2022 MTR#2996	226.69
US BANK PURCHASING CARD PROGRAM	KB-THE HOMEDEPOT - ELECTRICAL FOR AQUATIC CENTER	73.08
	GEN-AQUATIC CENTER TOTAL:	**3,082.71**
	CITY FAC.-AQUATIC CENTER TOTAL:	**3,082.71**
311 - STREET IMPROVEMENTS		
STREETS & HIGHWAYS		
CIVIL SOURCE, AN NV5 COMPANY	NOV 2022 SLURRY SEAL INSPECTION SERVICES	3,760.00
	STREETS & HIGHWAYS TOTAL:	**3,760.00**
	STREET IMPROVEMENTS TOTAL:	**3,760.00**
331 - CAPITAL IMPROVEMENTS		
CAPITAL IMPROVEMENTS		
JANELLE PALACIOS	NOV 22 CH 2ND FLOOR IMPROVEMENTS WINDOW COVERINGS	1,326.38
	CAPITAL IMPROVEMENTS TOTAL:	**1,326.38**
	CAPITAL IMPROVEMENTS TOTAL:	**1,326.38**
	GRAND TOTAL:	**1,147,426.95**

Fund Summary

Fund	Expense Amount	Payment Amount
101 - GENERAL FUND	1,075,066.60	1,075,066.60
102 - GEN. FD-CITY HALL	5,472.76	5,472.76
103 - GF-AV RECREATION SERVICES	13,473.78	13,473.78
203 - GAS TAX	18,419.51	18,419.51
204 - MEASURE M	1,526.00	1,526.00
215 - PUBLIC SAFETY GRANTS	6,043.26	6,043.26
225 - INTEGRATED WASTE MGMT FD	3,968.11	3,968.11
241 - TECHNOLOGY FUND	4,418.22	4,418.22
245 - DEVELOPMENT IMPACT	10,869.62	10,869.62
261 - CITY FAC.-AQUATIC CENTER	3,082.71	3,082.71
311 - STREET IMPROVEMENTS	3,760.00	3,760.00

Fund Summary

Fund		Expense Amount	Payment Amount
331 - CAPITAL IMPROVEMENTS		1,326.38	1,326.38
	Grand Total:	**1,147,426.95**	**1,147,426.95**

City of Aliso Viejo
AGENDA ITEM

DATE: January 18, 2023

TO: Mayor and City Council

FROM: Ann Eifert, Director of Financial Services/City Treasurer

SUBJECT: TREASURER'S STATEMENT – OCTOBER AND NOVEMBER 2022

Recommended Action:

Receive and file the October and November 2022 Treasurer's Statement.

Fiscal Impact:

No Fiscal Impact.

Background:

Per City policy, the Finance Department presents the monthly Treasurer's Statement for the City Council's review. This statement shows the cash balances for the various funds, with a breakdown of bank account balances, investment account balances and the effective yield earned from investments.

Discussion:

The City's portfolio consists of investments in Certificates of Deposits, US Treasuries, US Federal Agencies, Corporate Bonds, and Local Agency Investment Fund (LAIF). All funds invested with LAIF are available for withdrawal within 24 hours.

The Treasurer's Statement provides information regarding the City's investment portfolio and activity during the reporting month. The City's investment portfolio is in compliance with all government codes as well as the City's investment policy. Interest is credited to the City's bank account monthly and allocated among the City's funds. The current portfolio provides sufficient cash flow liquidity to meet the upcoming operating expenses and spending requirements for the next 6 months.

Attachments:

1. October 2022 Treasurer's Statement

2. November 2022 Treasurer's Statement

CITY OF ALISO VIEJO
TREASURER'S MONTHLY CASH STATEMENT

October 31, 2022

	BEGINNING BALANCE	RECEIPTS	DISBURSEMENTS	TRANSFERS IN (OUT)	ENDING BALANCE	
GENERAL FUND	$ 5,766,102.31	$ 1,978,965.96	$ 4,056,955.11		$ 3,688,113.16	
TCRF	$ 72,729.31				72,729.31	
GAS TAX FUND	$ 823,100.04	115,334.33	128,731.75		809,702.62	
MEASURE M	$ 1,534,834.98	-	1,694.00		1,533,140.98	
SB1-RMRA	$ (354,443.59)	97,241.89			(257,201.70)	
PUBLIC SAFETY GRANTS	$ 184,605.80	28,147.63	11,809.26		200,944.17	(1)
AIR QUALITY IMPRVMNT FD	$ 1,098,588.59				1,098,588.59	
INTEGRATED WASTE MGMT FD	$ 82,975.21				82,975.21	
OTHER GRANTS	$ (154,028.55)				(154,028.55)	
TECHNOLOGY GRANT	$ 228,781.82		3,456.54		225,325.28	
DEVELOPMENT IMPACT	$ 1,367,316.01		167.24		1,367,148.77	
FEDERAL GRANTS	$ 239,663.99		401,841.64		(162,177.65)	
CITY FACILITY - AV CTR	$ 179,758.92				179,758.92	
CITY FACILITY - AQUATIC CTR	$ 74,329.06	62,757.44	131,417.19		5,669.31	
STREET IMPROVEMENTS	$ 118,886.23	19,541.70	441,434.98		(303,007.05)	(2)
CAPITAL IMPROVEMENTS	$ -	-	10,079.20		(10,079.20)	(2)
STORM WATER	$ -	2,401.34	1,896.00		505.34	(2)
COP CAPITAL	$ -				-	(2)
COP	$ (4,819.40)				(4,819.40)	
AV RANCH FOUNDATION	$ 100.00				100.00	
CFD 2005-01	$ (3,558.00)	11.98	3,877.55		(7,423.57)	
RENEWABLE FARMS	$ 35,757.85	49,428.45	46,418.63		38,767.67	
COMMUNITY TRUST	$ 7,540.68				7,540.68	
TOTALS	**$ 11,298,221.26**	**$ 2,353,830.72**	**$ 5,239,779.09**	**$ -**	**$ 8,412,272.89**	

SUMMARY OF CASH:

DEMAND DEPOSITS:	GENERAL ACCOUNT	$	1,582,986.91
SAVINGS ACCOUNT:	MONEY MARKET	$	25,725.31
INVESTMENTS:	LOCAL AGENCY INVESTMENT FD	$	6,803,560.67
	TOTAL CASH		**$ 8,412,272.89**

Years to Maturity for October 2022	1.23
Weighted Average Yield for October 2022	2.260%

All investments are placed in accordance with the City of Aliso Viejo's Investment Policy.

The above summary provides sufficient cash flow liquidity to meet the next six month's estimated expenditures.

Other monies held include Cash with Fiscal Agent, Investments, Payroll and AV Center.			**$ 31,157,452.42**
Cash With Fiscal Agent	COPS/CFD 2005-01	3,147,897.91	
Cash With Investment Advisor	City Investments	26,042,061.10	
AV Center		1,763,646.80	
PR Account		201,041.61	
Petty Cash		2,805.00	
	GRAND TOTAL OF CITY FUNDS		**$ 39,569,725.31**

(1) Public Safety Grant includes the MDC and PVS Program Costs budgeted with SLESF funds.

(2) Transfers in and out are done on a quarterly basis.
Street Improvements include the Slurry Seal, Traffic Management and Street Improvement Projects.
Capital Improvements include park and AV Ranch improvement projects.
Storm Water includes the Dairy Fork and Wood Canyon Emergent Wetland Project.

Investments	Par Value	Market Value	Book Value	% of Portfolio	Days to Maturity	Book YTM
Certificates of Deposit	5,635,000.00	5,275,537.47	5,628,671.65	17.14	893	1.75
Corporate Bonds	2,000,000.00	1,910,374.50	2,000,620.00	6.09	607	1.93
LAIF	6,803,560.67	6,803,560.67	6,803,560.67	20.71	1	1.77
U.S. Agencies	9,235,000.00	8,983,184.80	9,198,016.05	28.00	410	2.48
U.S. Treasuries	9,500,000.00	9,117,147.00	9,214,753.42	28.05	508	2.78
	33,173,560.67	**32,089,804.44**	**32,845,621.79**	**100.00**	**448**	**2.26**

Investments

Total Earnings	October 31 Month Ending	Fiscal Year To Date
Current Year	22,924.26	141,718.30
Average Daily Balance	32,598,597.87	33,127,239.43
Book Rate of Return	0.83%	1.27%

CUSIP	Issuer Coupon Rate	Maturity Date Call Date	Remaining Par Value	Settle Date Book Yield	Original Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port Gain/Loss	Moody/S&P Fitch	WAM Eff. Dur.
Certificates of Deposit										
7954505W1	Sallie Mae Bank	12/12/2022	245,000.00	12/13/2019	244,642.30	99.81	244,545.28	0.74%	NR/NR	0.12
	1.850%			1.64%	244,642.30	4.26%	1,750.91	-97.02	NR	0.11
949495AA3	Wells Fargo National Bank West	12/13/2022	245,000.00	12/13/2019	245,000.00	99.80	244,516.62	0.75%	NR/NR	0.12
	1.800%			1.81%	245,000.00	4.26%	229.56	-483.39	NR	0.12
27002YEX0	EagleBank	03/20/2024	245,000.00	03/20/2020	244,510.00	95.84	234,817.31	0.74%	NR/NR	1.39
	1.550%			1.60%	244,510.00	4.23%	124.85	-9,692.69	NR	1.36
05465DAK4	Axos Bank	03/26/2024	245,000.00	03/26/2020	245,000.00	95.93	235,023.85	0.75%	NR/NR	1.40
	1.650%			1.65%	245,000.00	4.22%	66.45	-9,976.16	NR	1.38
15118RUV7	Celtic Bank	04/17/2024	245,000.00	04/17/2020	245,000.00	95.39	233,714.57	0.75%	NR/NR	1.46
	1.400%			1.40%	245,000.00	4.22%	140.96	-11,285.44	NR	1.44
32110YPS8	First National Bank of America	04/22/2024	245,000.00	04/23/2020	244,522.25	95.13	233,075.61	0.74%	NR/NR	1.48
	1.250%			1.30%	244,522.25	4.23%	83.90	-11,446.65	NR	1.46
15201QDF1	CenterState Bank	04/30/2024	245,000.00	04/30/2020	244,522.25	95.04	232,844.82	0.74%	NR/NR	1.50
	1.200%			1.25%	244,522.25	4.22%	16.11	-11,677.44	NR	1.48
58404DGU9	Medallion Bank	04/30/2024	245,000.00	04/30/2020	244,522.25	95.04	232,844.82	0.74%	NR/NR	1.50
	1.200%			1.25%	244,522.25	4.22%	16.11	-11,677.44	NR	1.48
538036JN5	Live Oak Banking	08/28/2024	245,000.00	02/28/2020	244,529.60	94.62	231,811.41	0.74%	NR/NR	1.83
	1.650%			1.69%	244,529.60	4.15%	343.34	-12,718.20	NR	1.79
856285RU7	State Bank of India	11/27/2024	245,000.00	12/06/2019	245,000.00	94.61	231,785.93	0.75%	NR/NR	2.08
	2.000%			2.00%	245,000.00	4.16%	2,121.10	-13,214.08	NR	2.00
61760A4F3	Morgan Stanley Private Bank	12/12/2024	245,000.00	12/13/2019	244,416.90	94.40	231,291.52	0.74%	NR/NR	2.12
	1.950%			2.00%	244,416.90	4.18%	1,858.64	-13,125.39	NR	2.05
61690UUJ7	Morgan Stanley Bank	02/27/2025	245,000.00	02/28/2020	244,416.90	93.55	229,197.26	0.74%	NR/NR	2.33
	1.800%			1.85%	244,416.90	4.25%	797.42	-15,219.65	NR	2.26
14042RPG0	Capital One Bank NA	04/08/2025	245,000.00	04/09/2020	244,412.00	92.81	227,380.83	0.74%	NR/NR	2.44
	1.600%			1.65%	244,412.00	4.28%	225.53	-17,031.18	NR	2.38
33847E3J4	Flagstar Bank	05/15/2025	245,000.00	05/15/2020	245,000.00	90.87	222,639.83	0.75%	NR/NR	2.54
	0.900%			0.90%	245,000.00	4.35%	1,026.99	-22,360.17	NR	2.49
866264DP6	Summit State Bank	05/15/2025	245,000.00	05/18/2020	244,402.20	90.75	222,348.77	0.74%	NR/NR	2.54
	0.850%			0.90%	244,402.20	4.35%	969.93	-22,053.43	NR	2.50
89235MJS1	Toyota Financial Savings Bank	06/30/2025	245,000.00	06/30/2020	245,000.00	90.21	221,011.56	0.75%	NR/NR	2.67
	0.800%			0.73%	245,000.00	4.39%	671.23	-23,988.44	NR	2.63
59013KLQ7	Merrick Bank	12/30/2025	245,000.00	12/30/2020	245,000.00	87.65	214,740.54	0.75%	NR/NR	3.17
	0.550%			0.55%	245,000.00	4.44%	7.38	-30,259.46	NR	3.13
02007GXG3	Ally Bank	08/04/2026	245,000.00	08/04/2022	245,000.00	95.35	233,606.77	0.75%	NR/NR	3.76
	3.450%			3.45%	245,000.00	4.27%	2,061.02	-11,393.24	NR	3.47
90348JR93	UBS Bank USA	08/11/2026	245,000.00	08/11/2021	245,000.00	86.65	212,287.36	0.75%	NR/NR	3.78
	0.950%			0.95%	245,000.00	4.33%	133.91	-32,712.65	NR	3.69

CUSIP	Issuer Coupon Rate	Maturity Date Call Date	Remaining Par Value	Settle Date Book Yield	Original Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port Gain/Loss	Moody/S&P Fitch	WAM Eff. Dur.
Certificates of Deposit										
38149MYB3	Goldman Sachs Bank	08/11/2026	245,000.00	08/11/2021	245,000.00	86.92	212,954.74	0.75%	NR/NR	3.78
	1.000%			1.00%	245,000.00	4.33%	550.41	-32,045.27	NR	3.69
254673N44	Discover Bank	07/29/2027	245,000.00	08/03/2022	245,000.00	94.39	231,250.60	0.75%	NR/NR	4.75
	3.500%			3.50%	245,000.00	4.24%	2,231.85	-13,749.40	NR	4.30
87164XN93	Synchrony Bank	08/05/2027	245,000.00	08/05/2022	245,000.00	94.37	231,200.62	0.75%	NR/NR	4.76
	3.500%			3.50%	245,000.00	4.24%	2,067.40	-13,799.38	NR	4.32
02589ADQ2	American Express National Bank	08/10/2027	245,000.00	08/12/2022	243,775.00	94.14	230,646.92	0.74%	NR/NR	4.78
	3.450%			3.56%	243,775.00	4.24%	1,922.08	-13,128.08	NR	4.34
					5,628,671.65		**5,275,537.47**	**17.14%**		**2.45**
Total Certificates of Deposit			**5,635,000.00**	**1.75%**	**5,628,671.65**	**4.26%**	**19,417.08**	**-353,134.25**		**2.34**
Corporate Bonds										
594918BQ6	Microsoft	08/08/2023	500,000.00	12/06/2019	503,635.00	98.37	491,852.50	1.53%	Aaa/AAA	0.77
	2.000%	06/08/2023		1.79%	503,635.00	4.56%	2,305.56	-11,782.50	AAA	0.74
30231GBC5	Exxon Mobil	08/16/2024	500,000.00	12/12/2019	501,615.00	95.40	477,010.50	1.53%	Aa2/AA-	1.79
	2.019%	07/16/2024		1.95%	501,615.00	4.61%	2,103.12	-24,604.50	NR	1.71
037833DM9	Apple	09/11/2024	500,000.00	12/06/2019	497,165.00	95.06	475,314.00	1.51%	Aaa/AA+	1.87
	1.800%	08/11/2024		1.92%	497,165.00	4.36%	1,250.00	-21,851.00	NR	1.79
64952WDL4	New York Life	01/22/2025	500,000.00	01/22/2020	498,205.00	93.24	466,197.50	1.52%	Aaa/AA+	2.23
	2.000%			2.08%	498,205.00	5.09%	2,750.00	-32,007.50	AAA	2.12
					2,000,620.00		**1,910,374.50**	**6.09%**		**1.66**
Total Corporate Bonds			**2,000,000.00**	**1.93%**	**2,000,620.00**	**4.65%**	**8,408.68**	**-90,245.50**		**1.59**
LAIF										
9830007	LAIF	11/01/2022	6,803,560.67	10/14/2022	6,803,560.67	1.00	6,803,560.67	20.71%	NR/NR	0.00
	1.772%			1.77%	6,803,560.67	1.77%	0.00	0.00	NR	0.00
					6,803,560.67		**6,803,560.67**	**20.71%**		**0.00**
Total LAIF			**6,803,560.67**	**1.77%**	**6,803,560.67**	**1.77%**	**0.00**	**0.00**		**0.00**
U.S. Agencies										
3133ELZF4	FFCB	11/14/2022	500,000.00	05/14/2020	499,745.00	99.86	499,304.50	1.52%	Aaa/AA+	0.04
	0.270%			0.29%	499,745.00	8.73%	626.25	-440.50	AAA	0.03

CUSIP	Issuer Coupon Rate	Maturity Date Call Date	Remaining Par Value	Settle Date Book Yield	Original Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port Gain/Loss	Moody/S&P Fitch	WAM Eff. Dur.
U.S. Agencies										
313385U20	FHLB	12/22/2022	2,000,000.00	09/30/2022	1,984,552.78	99.45	1,988,950.00	6.04%	P-1/A-1+	0.14
	0.000%			3.38%	1,984,552.78	0.05%	0.00	4,397.22	F1+	0.14
313384AS8	FHLB	01/17/2023	1,000,000.00	10/11/2022	989,982.22	99.13	991,311.00	3.01%	P-1/A-1+	0.21
	0.000%			3.72%	989,982.22	4.74%	0.00	1,328.78	F1+	0.21
3130AJ7E3	FHLB	02/17/2023	500,000.00	02/21/2020	499,080.00	99.13	495,661.00	1.52%	Aaa/AA+	0.30
	1.375%			1.44%	499,080.00	4.12%	1,413.19	-3,419.00	AAA	0.29
313384DW6	FHLB	04/03/2023	1,000,000.00	10/11/2022	980,860.00	98.13	981,307.00	2.99%	P-1/A-1+	0.42
	0.000%			4.04%	980,860.00	4.62%	0.00	447.00	F1+	0.42
3130ASCC1	FHLB	06/23/2023	1,000,000.00	06/23/2022	1,000,000.00	98.65	986,499.00	3.04%	Aaa/AA+	0.64
	2.000%	12/23/2022		2.00%	1,000,000.00	4.01%	7,111.11	-13,501.00	AAA	0.62
3130A3VC5	FHLB	12/08/2023	500,000.00	02/20/2020	514,900.00	97.39	486,947.50	1.57%	Aaa/AA+	1.10
	2.250%			1.44%	514,900.00	4.37%	4,468.75	-27,952.50	AAA	1.06
3133ELNE0	FFCB	02/14/2024	500,000.00	02/14/2020	499,245.00	96.08	480,380.00	1.52%	Aaa/AA+	1.29
	1.430%			1.47%	499,245.00	4.46%	1,529.31	-18,865.00	AAA	1.25
3133ELG99	FFCB	06/10/2024	500,000.00	06/10/2020	498,220.00	93.77	468,856.50	1.52%	Aaa/AA+	1.61
	0.375%			0.46%	498,220.00	4.33%	734.38	-29,363.50	AAA	1.56
3133ELCP7	FFCB	12/03/2024	235,000.00	12/09/2019	233,926.05	94.39	221,811.80	0.71%	Aaa/AA+	2.09
	1.625%			1.72%	233,926.05	4.32%	1,569.93	-12,114.25	AAA	2.00
3137EAEX3	FHLMC	09/23/2025	500,000.00	10/20/2020	497,505.00	89.09	445,452.50	1.51%	Aaa/AA+	2.90
	0.375%			0.48%	497,505.00	4.37%	197.92	-52,052.50	AAA	2.81
3130ASD63	FHLB	06/28/2027	1,000,000.00	06/28/2022	1,000,000.00	93.67	936,704.00	3.04%	Aaa/AA+	4.66
	3.250%	06/28/2024		3.25%	1,000,000.00	4.61%	11,104.17	-63,296.00	AAA	2.90
					9,198,016.05		**8,983,184.80**	**28.00%**		**1.12**
Total U.S. Agencies			**9,235,000.00**	**2.48%**	**9,198,016.05**	**3.72%**	**28,755.01**	**-214,831.25**		**0.91**
U.S. Treasuries										
912796N96	U.S. Treasury	11/03/2022	2,000,000.00	06/28/2022	1,986,293.34	99.98	1,999,592.00	6.05%	P-1/A-1+	0.01
	0.000%			1.97%	1,986,293.34	29.06%	0.00	13,298.66	F1+	0.01
912796T33	U.S. Treasury	02/23/2023	2,000,000.00	06/29/2022	1,968,863.62	98.69	1,973,794.00	5.99%	P-1/A-1+	0.32
	0.000%			2.41%	1,968,863.62	4.56%	0.00	4,930.38	F1+	0.32
912796YK9	U.S. Treasury	03/09/2023	2,000,000.00	09/30/2022	1,967,467.56	98.50	1,969,912.00	5.99%	P-1/A-1+	0.35
	0.000%			3.77%	1,967,467.56	4.71%	0.00	2,444.44	F1+	0.35
912828T91	U.S. Treasury	10/31/2023	500,000.00	12/09/2019	500,175.78	97.16	485,801.00	1.52%	Aaa/AA+	1.00
	1.625%			1.62%	500,175.78	4.50%	22.44	-14,374.78	AAA	0.97
91282CCF6	U.S. Treasury	05/31/2026	1,000,000.00	06/13/2022	915,976.56	88.17	881,680.00	2.79%	Aaa/AA+	3.58
	0.750%			3.01%	915,976.56	4.24%	3,155.74	-34,296.56	AAA	3.44

CUSIP	Issuer Coupon Rate	Maturity Date Call Date	Remaining Par Value	Settle Date Book Yield	Original Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port Gain/Loss	Moody/S&P Fitch	WAM Eff. Dur.
U.S. Treasuries										
91282CCJ8	U.S. Treasury	06/30/2026	1,000,000.00	06/29/2022	913,125.00	88.35	883,516.00	2.78%	Aaa/AA+	3.67
	0.875%			3.20%	913,125.00	4.22%	2,948.37	-29,609.00	AAA	3.51
912828X88	U.S. Treasury	05/15/2027	1,000,000.00	06/29/2022	962,851.56	92.29	922,852.00	2.93%	Aaa/AA+	4.54
	2.375%			3.20%	962,851.56	4.08%	10,971.47	-39,999.56	AAA	4.16
					9,214,753.42		**9,117,147.00**	**28.05%**		**1.39**
Total U.S. Treasuries			**9,500,000.00**	**2.78%**	**9,214,753.42**	**9.75%**	**17,098.02**	**-97,606.42**		**1.32**
					32,845,621.79		**32,089,804.44**	**100.00%**		**1.23**
TOTAL PORTFOLIO			**33,173,560.67**	**2.26%**	**32,845,621.79**	**5.16%**	**73,678.79**	**-755,817.42**		**1.13**
TOTAL MARKET VALUE PLUS ACCRUED INTEREST							**32,163,483.23**			

Transaction Report

City of Aliso Viejo **October 01, 2022 - October 31, 2022**

Transaction Date	Transaction Type	Security ID	Security Description	Maturity Date	Purchases	Redemptions	Interest	Deposits	Withdrawals
10/03/2022	Interest	538036JN5	LIVOAK 1.65 08/28/24	08/28/2024	-	-	332.26	-	-
10/11/2022	Withdrawal		LAIF Withdrawal		-	-	-	-	-1,000,000.00
10/11/2022	Interest	14042RPG0	COF 1.6 04/08/25	04/08/2025	-	-	1,965.37	-	-
10/11/2022	Interest	05580ASU9	BMW 1.85 10/11/22	10/11/2022	-	-	2,272.46	-	-
10/11/2022	Maturity	05580ASU9	BMW 1.85 10/11/22	10/11/2022	-	245,000.00	-	-	-
10/11/2022	Interest	90348JR93	UBS 0.95 08/11/26	08/11/2026	-	-	191.30	-	-
10/11/2022	Purchase	313384AS8	FHLB DISCOUNT NT	01/17/2023	-989,982.22	-	-	-	-
10/11/2022	Purchase	313384DW6	FHLB DISCOUNT NT	04/03/2023	-980,860.00	-	-	-	-
10/13/2022	Interest	949495AA3	WFC 1.8 12/13/22	12/13/2022	-	-	362.47	-	-
10/14/2022	Interest	9830007	LAIF		-	-	30,716.86	-	-
10/14/2022	Purchase	9830007	LAIF		-30,716.86	-	-	-	-
10/17/2022	Interest	15118RUV7	CELTIC 1.4 04/17/24	04/17/2024	-	-	281.92	-	-
10/20/2022	Interest	27002YEX0	EGBN 1.55 03/20/24	03/20/2024	-	-	312.12	-	-
10/24/2022	Interest	32110YPS8	FNAMER 1 1/4 04/22/24	04/22/2024	-	-	251.71	-	-
10/26/2022	Interest	05465DAK4	BOFI 1.65 03/26/24	03/26/2024	-	-	332.26	-	-
10/31/2022	Interest	912828T91	T 1 5/8 10/31/23	10/31/2023	-	-	4,062.50	-	-
10/31/2022	Interest	15201QDF1	CTRSTE 1.2 04/30/24	04/30/2024	-	-	1,474.03	-	-
10/31/2022	Interest	58404DGU9	MEDBNK 1.2 04/30/24	04/30/2024	-	-	1,474.03	-	-
10/31/2022	Interest	59013KLQ7	MERICK 0.55 12/30/25	12/30/2025	-	-	110.75	-	-
Grand Total:					**-2,001,559.08**	**245,000.00**	**44,140.04**	**0.00**	**-1,000,000.00**

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

CITY OF ALISO VIEJO

DIRECTOR OF FINANCIAL SVCS/ CITY TREAS
12 JOURNEY, #100
ALISO VIEJO, CA 92656

Account Number: 98-30-007

October 2022 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
10/11/2022	10/11/2022	RW	1714237	1674556	ANN EIFERT	-1,000,000.00
10/14/2022	10/13/2022	QRD	1716398	N/A	SYSTEM	30,716.86

Account Summary

Total Deposit:	30,716.86	Beginning Balance:	7,772,843.81
Total Withdrawal:	-1,000,000.00	Ending Balance:	6,803,560.67

PMIA/LAIF Performance Report as of 11/16/22

PMIA Average Monthly Effective Yields[(1)]

October	**1.772**
September	1.513
August	1.276

Quarterly Performance Quarter Ended 09/30/22

LAIF Apportionment Rate[(2)]:	1.35
LAIF Earnings Ratio[(2)]:	0.00003699565555327
LAIF Fair Value Factor[(1)]:	0.980760962
PMIA Daily[(1)]:	1.63%
PMIA Quarter to Date[(1)]:	1.29%
PMIA Average Life[(1)]:	304

Pooled Money Investment Account Monthly Portfolio Composition [(1)] 10/31/22 $215.3 billion

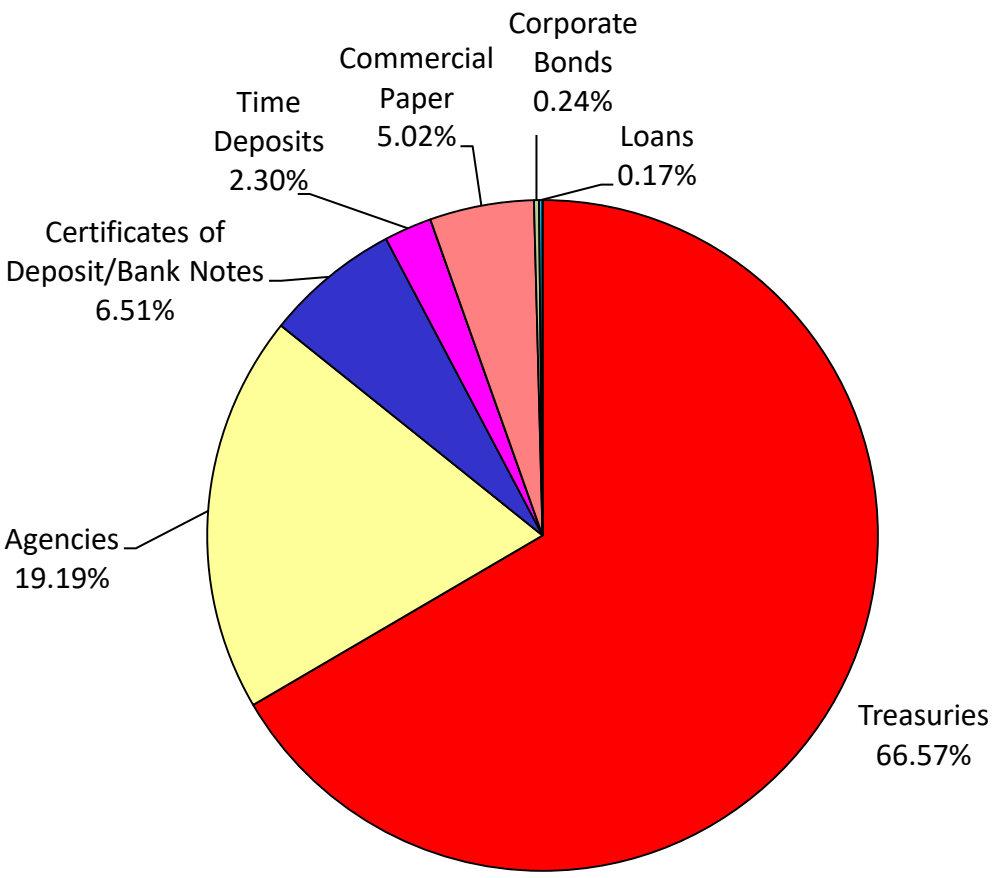


Chart does not include $3,715,000.00 in mortgages, which equates to 0.002%. Percentages may not total 100% due to rounding.

Daily rates are now available here. **View PMIA Daily Rates**

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:
[(1)] State of California, Office of the Treasurer
[(2)] State of Calfiornia, Office of the Controller

CITY OF ALISO VIEJO
TREASURER'S MONTHLY CASH STATEMENT

November 30, 2022

	BEGINNING BALANCE	RECEIPTS	DISBURSEMENTS	TRANSFERS IN (OUT)	ENDING BALANCE	
GENERAL FUND	$ 3,688,113.16	$ 3,946,889.05	$ 4,092,945.95		$ 3,542,056.26	
TCRF	$ 72,729.31				72,729.31	
GAS TAX FUND	$ 809,702.62	149,220.09	94,060.55		864,862.16	
MEASURE M	$ 1,533,140.98	163,793.53	1,890.00		1,695,044.51	
SB1-RMRA	$ (257,201.70)	99,719.22			(157,482.48)	
PUBLIC SAFETY GRANTS	$ 200,944.17		7,948.00		192,996.17	(1)
AIR QUALITY IMPRVMNT FD	$ 1,098,588.59				1,098,588.59	
INTEGRATED WASTE MGMT FD	$ 82,975.21				82,975.21	
OTHER GRANTS	$ (154,028.55)				(154,028.55)	
TECHNOLOGY GRANT	$ 225,325.28	24,721.23	1,243.21		248,803.30	
DEVELOPMENT IMPACT	$ 1,367,148.77		14,935.49		1,352,213.28	
FEDERAL GRANTS	$ (162,177.65)				(162,177.65)	
CITY FACILITY - AV CTR	$ 179,758.92				179,758.92	
CITY FACILITY - AQUATIC CTR	$ 5,669.31	30,864.97	76,981.16		(40,446.88)	
STREET IMPROVEMENTS	$ (303,007.05)		76,944.23		(379,951.28)	(2)
CAPITAL IMPROVEMENTS	$ (10,079.20)		8,640.00		(18,719.20)	(2)
STORM WATER	$ 505.34				505.34	(2)
COP CAPITAL	$ -				-	(2)
COP	$ (4,819.40)				(4,819.40)	
AV RANCH FOUNDATION	$ 100.00				100.00	
CFD 2005-01	$ (7,423.57)	318,577.64	319,359.62		(8,205.55)	
RENEWABLE FARMS	$ 38,767.67	28,152.25	25,797.50		41,122.42	
COMMUNITY TRUST	$ 7,540.68				7,540.68	
TOTALS	**$ 8,412,272.89**	**$ 4,761,937.98**	**$ 4,720,745.71**	**$ -**	**$ 8,453,465.16**	

SUMMARY OF CASH:

DEMAND DEPOSITS:	GENERAL ACCOUNT	$ 2,374,162.27	
SAVINGS ACCOUNT:	MONEY MARKET	$ 25,742.22	
INVESTMENTS:	LOCAL AGENCY INVESTMENT FD	$ 6,053,560.67	
	TOTAL CASH		**$ 8,453,465.16**

Years to Maturity for November 2022	1.22
Weighted Average Yield for November 2022	2.490%

All investments are placed in accordance with the City of Aliso Viejo's Investment Policy.

The above summary provides sufficient cash flow liquidity to meet the next six month's estimated expenditures.

Other monies held include Cash with Fiscal Agent, Investments, Payroll and AV Center.			**$ 31,037,972.89**
Cash With Fiscal Agent	COPS/CFD 2005-01	3,467,031.00	
Cash With Investment Advisor	City Investments	25,539,239.01	
AV Center		1,791,572.80	
PR Account		237,593.08	
Petty Cash		2,537.00	
	GRAND TOTAL OF CITY FUNDS		**$ 39,491,438.05**

(1) Public Safety Grant includes the MDC and PVS Program Costs budgeted with SLESF funds.

(2) Transfers in and out are done on a quarterly basis.
Street Improvements include the Slurry Seal, Traffic Management and Street Improvement Projects.
Capital Improvements include park and AV Ranch improvement projects.
Storm Water includes the Dairy Fork and Wood Canyon Emergent Wetland Project.

Portfolio Summary

City of Aliso Viejo **November 30, 2022**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Days to Maturity	Book YTM
Certificates of Deposit	5,635,000.00	5,272,845.90	5,628,671.65	17.82	863	1.75
Corporate Bonds	2,000,000.00	1,915,955.50	2,000,620.00	6.33	577	1.93
LAIF	6,053,560.67	6,053,560.67	6,053,560.67	19.16	1	2.07
U.S. Agencies	8,735,000.00	8,509,688.71	8,698,271.05	27.53	403	2.60
U.S. Treasuries	9,500,000.00	9,142,815.50	9,211,676.32	29.16	498	3.24
	31,923,560.67	**30,894,866.28**	**31,592,799.69**	**100.00**	**447**	**2.49**

Investments

Total Earnings	November 30 Month Ending	Fiscal Year To Date
Current Year	36,359.71	178,078.01
Average Daily Balance	31,242,952.88	32,750,382.12
Book Rate of Return	1.42%	1.30%

CUSIP	Issuer Coupon Rate	Maturity Date Call Date	Remaining Par Value	Settle Date Book Yield	Original Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port Gain/Loss	Moody/S&P Fitch	WAM Eff. Dur.
Certificates of Deposit										
7954505W1	Sallie Mae Bank	12/12/2022	245,000.00	12/13/2019	244,642.30	99.94	244,851.78	0.77%	NR/NR	0.03
	1.850%			1.64%	244,642.30	7.46%	2,123.45	209.48	NR	0.03
949495AA3	Wells Fargo National Bank West	12/13/2022	245,000.00	12/13/2019	245,000.00	99.93	244,835.36	0.78%	NR/NR	0.04
	1.800%			1.81%	245,000.00	7.31%	217.48	-164.64	NR	0.04
27002YEX0	EagleBank	03/20/2024	245,000.00	03/20/2020	244,510.00	95.85	234,829.81	0.77%	NR/NR	1.30
	1.550%			1.60%	244,510.00	4.85%	114.45	-9,680.20	NR	1.28
05465DAK4	Axos Bank	03/26/2024	245,000.00	03/26/2020	245,000.00	95.92	235,011.84	0.78%	NR/NR	1.32
	1.650%			1.65%	245,000.00	4.85%	55.38	-9,988.16	NR	1.30
15118RUV7	Celtic Bank	04/17/2024	245,000.00	04/17/2020	245,000.00	95.41	233,743.72	0.78%	NR/NR	1.38
	1.400%			1.40%	245,000.00	4.87%	131.56	-11,256.28	NR	1.36
32110YPS8	First National Bank of America	04/22/2024	245,000.00	04/23/2020	244,522.25	95.16	233,133.18	0.77%	NR/NR	1.39
	1.250%			1.30%	244,522.25	4.88%	75.51	-11,389.07	NR	1.38
15201QDF1	CenterState Bank	04/30/2024	245,000.00	04/30/2020	244,522.25	95.05	232,866.13	0.77%	NR/NR	1.42
	1.200%			1.25%	244,522.25	4.86%	257.75	-11,656.12	NR	1.40
58404DGU9	Medallion Bank	04/30/2024	245,000.00	04/30/2020	244,522.25	95.05	232,866.13	0.77%	NR/NR	1.42
	1.200%			1.25%	244,522.25	4.86%	257.75	-11,656.12	NR	1.40
538036JN5	Live Oak Banking	08/28/2024	245,000.00	02/28/2020	244,529.60	94.59	231,743.54	0.77%	NR/NR	1.75
	1.650%			1.69%	244,529.60	4.89%	332.26	-12,786.06	NR	1.71
856285RU7	State Bank of India	11/27/2024	245,000.00	12/06/2019	245,000.00	94.51	231,550.97	0.78%	NR/NR	1.99
	2.000%			2.00%	245,000.00	4.87%	53.70	-13,449.03	NR	1.94
61760A4F3	Morgan Stanley Private Bank	12/12/2024	245,000.00	12/13/2019	244,416.90	94.31	231,057.54	0.77%	NR/NR	2.04
	1.950%			2.00%	244,416.90	4.88%	2,251.32	-13,359.36	NR	1.97
61690UUJ7	Morgan Stanley Bank	02/27/2025	245,000.00	02/28/2020	244,416.90	93.41	228,861.36	0.77%	NR/NR	2.25
	1.800%			1.85%	244,416.90	4.87%	1,159.89	-15,555.54	NR	2.18
14042RPG0	Capital One Bank NA	04/08/2025	245,000.00	04/09/2020	244,412.00	92.66	227,015.04	0.77%	NR/NR	2.36
	1.600%			1.65%	244,412.00	4.87%	547.73	-17,396.96	NR	2.30
33847E3J4	Flagstar Bank	05/15/2025	245,000.00	05/15/2020	245,000.00	90.75	222,332.85	0.78%	NR/NR	2.46
	0.900%			0.90%	245,000.00	4.88%	96.66	-22,667.16	NR	2.43
866264DP6	Summit State Bank	05/15/2025	245,000.00	05/18/2020	244,402.20	90.63	222,052.08	0.77%	NR/NR	2.46
	0.850%			0.90%	244,402.20	4.89%	91.29	-22,350.13	NR	2.43
89235MJS1	Toyota Financial Savings Bank	06/30/2025	245,000.00	06/30/2020	245,000.00	90.07	220,668.32	0.78%	NR/NR	2.58
	0.800%			0.73%	245,000.00	4.88%	832.33	-24,331.69	NR	2.54
59013KLQ7	Merrick Bank	12/30/2025	245,000.00	12/30/2020	245,000.00	87.45	214,262.30	0.78%	NR/NR	3.08
	0.550%			0.55%	245,000.00	4.89%	3.69	-30,737.70	NR	3.05
02007GXG3	Ally Bank	08/04/2026	245,000.00	08/04/2022	245,000.00	95.22	233,281.16	0.78%	NR/NR	3.68
	3.450%			3.45%	245,000.00	4.84%	2,755.75	-11,718.84	NR	3.39
90348JR93	UBS Bank USA	08/11/2026	245,000.00	08/11/2021	245,000.00	86.72	212,464.74	0.78%	NR/NR	3.70
	0.950%			0.95%	245,000.00	4.92%	127.53	-32,535.27	NR	3.61

CUSIP	Issuer Coupon Rate	Maturity Date Call Date	Remaining Par Value	Settle Date Book Yield	Original Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port Gain/Loss	Moody/S&P Fitch	WAM Eff. Dur.
Certificates of Deposit										
38149MYB3	Goldman Sachs Bank	08/11/2026	245,000.00	08/11/2021	245,000.00	86.99	213,124.77	0.78%	NR/NR	3.70
	1.000%			1.00%	245,000.00	4.91%	751.78	-31,875.24	NR	3.61
254673N44	Discover Bank	07/29/2027	245,000.00	08/03/2022	245,000.00	94.28	230,990.17	0.78%	NR/NR	4.66
	3.500%			3.50%	245,000.00	4.86%	2,936.64	-14,009.84	NR	4.22
87164XN93	Synchrony Bank	08/05/2027	245,000.00	08/05/2022	245,000.00	94.26	230,928.18	0.78%	NR/NR	4.68
	3.500%			3.50%	245,000.00	4.86%	2,772.19	-14,071.82	NR	4.24
02589ADQ2	American Express National Bank	08/10/2027	245,000.00	08/12/2022	243,775.00	94.03	230,374.97	0.77%	NR/NR	4.70
	3.450%			3.56%	243,775.00	4.86%	2,616.80	-13,400.03	NR	4.26
					5,628,671.65		**5,272,845.90**	**17.81%**		**2.36**
Total Certificates of Deposit			**5,635,000.00**	**1.75%**	**5,628,671.65**	**5.09%**	**20,562.89**	**-355,825.78**		**2.26**
Corporate Bonds										
594918BQ6	Microsoft	08/08/2023	500,000.00	12/06/2019	503,635.00	98.25	491,236.00	1.59%	Aaa/AAA	0.69
	2.000%	06/08/2023		1.79%	503,635.00	4.42%	3,138.89	-12,399.00	AAA	0.66
30231GBC5	Exxon Mobil	08/16/2024	500,000.00	12/12/2019	501,615.00	95.73	478,656.50	1.59%	Aa2/AA-	1.71
	2.019%	07/16/2024		1.95%	501,615.00	4.85%	2,944.38	-22,958.50	NR	1.63
037833DM9	Apple	09/11/2024	500,000.00	12/06/2019	497,165.00	95.42	477,092.50	1.57%	Aaa/AA+	1.78
	1.800%	08/11/2024		1.92%	497,165.00	4.72%	2,000.00	-20,072.50	NR	1.71
64952WDL4	New York Life	01/22/2025	500,000.00	01/22/2020	498,205.00	93.79	468,970.50	1.58%	Aaa/AA+	2.15
	2.000%			2.08%	498,205.00	5.38%	3,583.33	-29,234.50	AAA	2.04
					2,000,620.00		**1,915,955.50**	**6.33%**		**1.58**
Total Corporate Bonds			**2,000,000.00**	**1.93%**	**2,000,620.00**	**4.84%**	**11,666.60**	**-84,664.50**		**1.51**
LAIF										
9830007	LAIF	12/01/2022	6,053,560.67	10/14/2022	6,053,560.67	1.00	6,053,560.67	19.16%	NR/NR	0.00
	2.070%			2.07%	6,053,560.67	2.07%	0.00	0.00	NR	0.00
					6,053,560.67		**6,053,560.67**	**19.16%**		**0.00**
Total LAIF			**6,053,560.67**	**2.07%**	**6,053,560.67**	**2.07%**	**0.00**	**0.00**		**0.00**
U.S. Agencies										
313385U20	FHLB	12/22/2022	2,000,000.00	09/30/2022	1,984,552.78	99.75	1,995,072.00	6.28%	P-1/A-1+	0.06
	0.000%			3.38%	1,984,552.78	9.22%	0.00	10,519.22	F1+	0.06

CUSIP	Issuer Coupon Rate	Maturity Date Call Date	Remaining Par Value	Settle Date Book Yield	Original Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port Gain/Loss	Moody/S&P Fitch	WAM Eff. Dur.
U.S. Agencies										
313384AS8	FHLB	01/17/2023	1,000,000.00	10/11/2022	989,982.22	99.43	994,313.00	3.13%	P-1/A-1+	0.13
	0.000%			3.72%	989,982.22	6.67%	0.00	4,330.78	F1+	0.13
3130AJ7E3	FHLB	02/17/2023	500,000.00	02/21/2020	499,080.00	99.36	496,799.50	1.58%	Aaa/AA+	0.22
	1.375%			1.44%	499,080.00	5.46%	1,986.11	-2,280.50	AAA	0.21
313384DW6	FHLB	04/03/2023	1,000,000.00	10/11/2022	980,860.00	98.44	984,434.00	3.10%	P-1/A-1+	0.34
	0.000%			4.04%	980,860.00	5.61%	0.00	3,574.00	F1+	0.34
3130ASCC1	FHLB	06/23/2023	1,000,000.00	06/23/2022	1,000,000.00	98.78	987,770.00	3.17%	Aaa/AA+	0.56
	2.000%	12/23/2022		2.00%	1,000,000.00	4.45%	8,777.78	-12,230.00	AAA	0.54
3130A3VC5	FHLB	12/08/2023	500,000.00	02/20/2020	514,900.00	97.47	487,348.00	1.63%	Aaa/AA+	1.02
	2.250%			1.44%	514,900.00	4.90%	5,406.25	-27,552.00	AAA	0.98
3133ELNE0	FFCB	02/14/2024	500,000.00	02/14/2020	499,245.00	96.11	480,573.00	1.58%	Aaa/AA+	1.21
	1.430%			1.47%	499,245.00	4.82%	2,125.14	-18,672.00	AAA	1.17
3133ELG99	FFCB	06/10/2024	500,000.00	06/10/2020	498,220.00	93.90	469,485.00	1.58%	Aaa/AA+	1.53
	0.375%			0.46%	498,220.00	4.65%	890.62	-28,735.00	AAA	1.48
3133ELCP7	FFCB	12/03/2024	235,000.00	12/09/2019	233,926.05	94.51	222,099.21	0.74%	Aaa/AA+	2.01
	1.625%			1.72%	233,926.05	4.58%	1,888.16	-11,826.85	AAA	1.92
3137EAEX3	FHLMC	09/23/2025	500,000.00	10/20/2020	497,505.00	89.55	447,769.00	1.57%	Aaa/AA+	2.82
	0.375%			0.48%	497,505.00	4.55%	354.17	-49,736.00	AAA	2.73
3130ASD63	FHLB	06/28/2027	1,000,000.00	06/28/2022	1,000,000.00	94.40	944,026.00	3.17%	Aaa/AA+	4.58
	3.250%	06/28/2024		3.25%	1,000,000.00	4.81%	13,812.50	-55,974.00	AAA	2.67
					8,698,271.05		**8,509,688.71**	**27.53%**		**1.10**
Total U.S. Agencies			**8,735,000.00**	**2.60%**	**8,698,271.05**	**6.09%**	**35,240.73**	**-188,582.35**		**0.87**
U.S. Treasuries										
912796XT1	U.S. Treasury	02/02/2023	2,000,000.00	11/18/2022	1,983,216.24	99.28	1,985,572.00	6.28%	P-1/A-1+	0.18
	0.000%			4.06%	1,983,216.24	4.83%	0.00	2,355.76	F1+	0.18
912796T33	U.S. Treasury	02/23/2023	2,000,000.00	06/29/2022	1,968,863.62	99.01	1,980,288.00	6.23%	P-1/A-1+	0.23
	0.000%			2.41%	1,968,863.62	5.70%	0.00	11,424.38	F1+	0.23
912796YK9	U.S. Treasury	03/09/2023	2,000,000.00	09/30/2022	1,967,467.56	98.84	1,976,740.00	6.23%	P-1/A-1+	0.27
	0.000%			3.77%	1,967,467.56	5.63%	0.00	9,272.44	F1+	0.27
912828T91	U.S. Treasury	10/31/2023	500,000.00	12/09/2019	500,175.78	97.23	486,152.50	1.58%	Aaa/AA+	0.92
	1.625%			1.62%	500,175.78	4.83%	695.79	-14,023.28	AAA	0.89
91282CCF6	U.S. Treasury	05/31/2026	1,000,000.00	06/13/2022	915,976.56	88.96	889,570.00	2.90%	Aaa/AA+	3.50
	0.750%			3.01%	915,976.56	4.44%	20.60	-26,406.56	AAA	3.37
91282CCJ8	U.S. Treasury	06/30/2026	1,000,000.00	06/29/2022	913,125.00	89.16	891,641.00	2.89%	Aaa/AA+	3.58
	0.875%			3.20%	913,125.00	4.42%	3,661.68	-21,484.00	AAA	3.43

CUSIP	Issuer Coupon Rate	Maturity Date Call Date	Remaining Par Value	Settle Date Book Yield	Original Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port Gain/Loss	Moody/S&P Fitch	WAM Eff. Dur.
U.S. Treasuries										
912828X88	U.S. Treasury 2.375%	05/15/2027	1,000,000.00	06/29/2022 3.20%	962,851.56 962,851.56	93.29 4.29%	932,852.00 1,049.72	3.05% -29,999.56	Aaa/AA+ AAA	4.46 4.13
					9,211,676.32		**9,142,815.50**	**29.16%**		**1.36**
Total U.S. Treasuries			**9,500,000.00**	**3.24%**	**9,211,676.32**	**5.05%**	**5,427.79**	**-68,860.82**		**1.30**
					31,592,799.69		**30,894,866.28**	**100.00%**		**1.22**
TOTAL PORTFOLIO			**31,923,560.67**	**2.49%**	**31,592,799.69**	**4.76%**	**72,898.01**	**-697,933.45**		**1.12**
TOTAL MARKET VALUE PLUS ACCRUED INTEREST							**30,967,764.29**			

Transaction Report

City of Aliso Viejo **November 01, 2022 - November 30, 2022**

Transaction Date	Transaction Type	Security ID	Security Description	Maturity Date	Purchases	Redemptions	Interest	Deposits	Withdrawals
11/01/2022	Interest	538036JN5	LIVOAK 1.65 08/28/24	08/28/2024	-	-	343.34	-	-
11/03/2022	Maturity	912796N96	TREASURY BILL	11/03/2022	-	2,000,000.00	-	-	-
11/14/2022	Interest	90348JR93	UBS 0.95 08/11/26	08/11/2026	-	-	197.68	-	-
11/14/2022	Interest	949495AA3	WFC 1.8 12/13/22	12/13/2022	-	-	374.55	-	-
11/14/2022	Interest	3133ELZF4	FFCB 0.27 11/14/22	11/14/2022	-	-	675.00	-	-
11/14/2022	Maturity	3133ELZF4	FFCB 0.27 11/14/22	11/14/2022	-	500,000.00	-	-	-
11/15/2022	Interest	33847E3J4	FBC 0.9 05/15/25	05/15/2025	-	-	1,111.56	-	-
11/15/2022	Interest	866264DP6	SSBI 0.85 05/15/25	05/15/2025	-	-	1,049.81	-	-
11/15/2022	Interest	912828X88	T 2 3/8 05/15/27	05/15/2027	-	-	11,875.00	-	-
11/17/2022	Interest	15118RUV7	CELTIC 1.4 04/17/24	04/17/2024	-	-	291.32	-	-
11/18/2022	Purchase	912796XT1	TREASURY BILL	02/02/2023	-1,983,216.24	-	-	-	-
11/18/2022	Withdrawal		LAIF Withdrawal		-	-	-	-	-750,000.00
11/21/2022	Interest	27002YEX0	EGBN 1.55 03/20/24	03/20/2024	-	-	322.53	-	-
11/22/2022	Interest	32110YPS8	FNAMER 1 1/4 04/22/24	04/22/2024	-	-	260.10	-	-
11/28/2022	Interest	05465DAK4	BOFI 1.65 03/26/24	03/26/2024	-	-	343.34	-	-
11/28/2022	Interest	856285RU7	SBIIN 2 11/27/24	11/27/2024	-	-	2,470.14	-	-
11/30/2022	Interest	59013KLQ7	MERICK 0.55 12/30/25	12/30/2025	-	-	114.45	-	-
11/30/2022	Interest	91282CCF6	T 0 3/4 05/31/26	05/31/2026	-	-	3,750.00	-	-
Grand Total:					**-1,983,216.24**	**2,500,000.00**	**23,178.82**	**0.00**	**-750,000.00**

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

CITY OF ALISO VIEJO

DIRECTOR OF FINANCIAL SVCS/ CITY TREAS
12 JOURNEY, #100
ALISO VIEJO, CA 92656

Account Number: 98-30-007

November 2022 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
11/18/2022	11/18/2022	RW	1718237	1678574	ANN EIFERT	-750,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	6,803,560.67
Total Withdrawal:	-750,000.00	Ending Balance:	6,053,560.67

PMIA/LAIF Performance Report as of 12/14/22

PMIA Average Monthly Effective Yields[1]

November	**2.007**
October	1.772
September	1.513

Quarterly Performance Quarter Ended 09/30/22

LAIF Apportionment Rate[2]:	1.35
LAIF Earnings Ratio[2]:	0.00003699565555327
LAIF Fair Value Factor[1]:	0.980760962
PMIA Daily[1]:	1.63%
PMIA Quarter to Date[1]:	1.29%
PMIA Average Life[1]:	304

Pooled Money Investment Account Monthly Portfolio Composition [1] 11/30/22 $203.7 billion

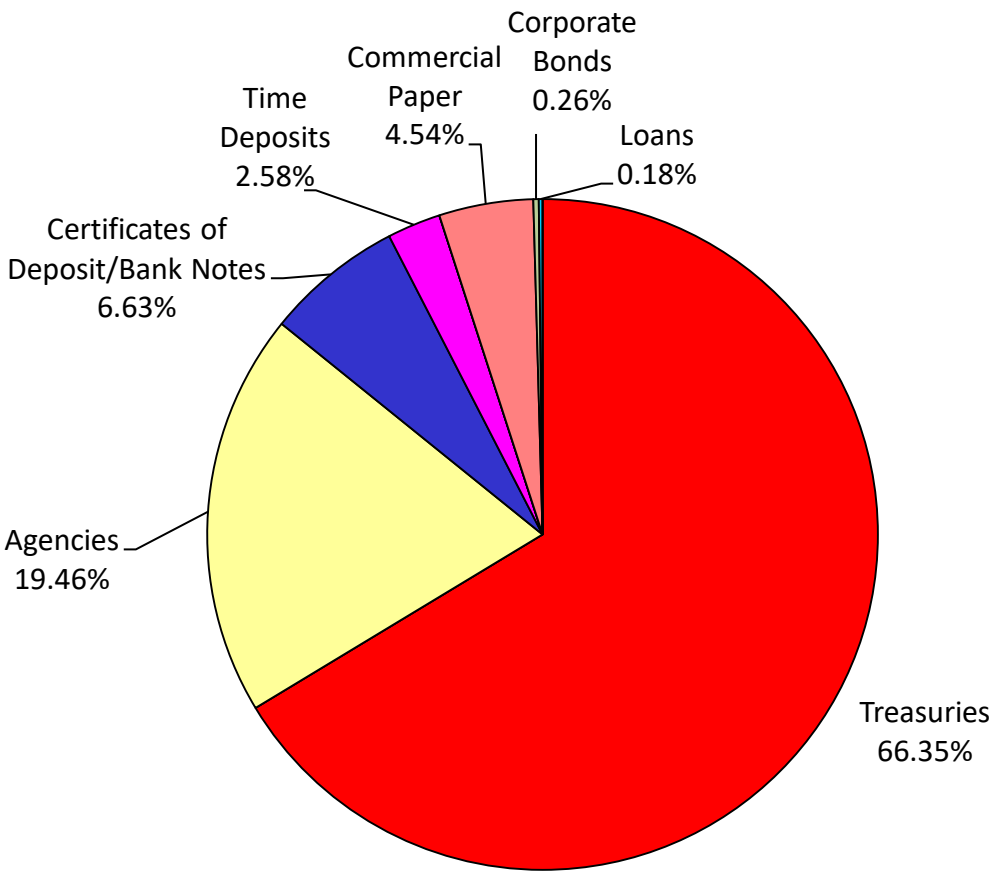


Chart does not include $3,542,000.00 in mortgages, which equates to 0.002%. Percentages may not total 100% due to rounding.

Daily rates are now available here. **View PMIA Daily Rates**

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:
[1] State of California, Office of the Treasurer
[2] State of Calfiornia, Office of the Controller

City of Aliso Viejo
AGENDA ITEM

DATE: January 18, 2023

TO: Mayor and City Council

FROM: Ann Eifert, Director of Financial Services

SUBJECT: FISCAL YEAR 2021-22 ANNUAL COMPREHENSIVE FINANCIAL REPORT

Recommended Actions:

1. Receive and file the Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022; and

2. Adopt a Resolution reappropriating certain fiscal year 2021-22 fund balances and amending the fiscal year 2022-23 budget.

Fiscal Impact:

At the end of fiscal year 2021-22, the net change in fund balance for the City's General Fund totaled $3,449,005. The reappropriation of unspent funds will reduce the fund balance in the General Fund by $123,000. The reappropriation of CDBG-CARES Act grant funds in the amount of $239,983 will be fully reimbursed through the grant.

Background:

The Comprehensive Annual Financial Report was prepared in conformity with Generally Accepted Accounting Principles (GAAP) and audited by independent certified public accountants at Rogers, Anderson, Malody & Scott, LLP (RAMS). The goal of the audit is to provide reasonable assurance that the City's financial statements are free from material misstatement.

As part of the audit, RAMS issues the following reports:

- Report on Internal Control Over Financial Reporting and on Compliance and Other Matters
- Statement on Auditing Standards (SAS) 114 Letter
- Report on Agreed-Upon Procedures Applied to the Appropriations Limit
- Report on Agreed-Upon Procedures for the City's Treasurer's Monthly Report

Discussion:

The annual audit of the financial statements was completed on December 15, 2022. The financial statements were prepared in accordance with all applicable accounting standards. The independent auditor has issued an unmodified opinion of the City's financial statements for the fiscal year ended June 30, 2022, which provides reasonable assurance that the financial statements of the City are presented fairly, in all material respects, in accordance with generally accepted accounting principles.

In addition to reviewing and examining the City's financial records, the auditors also reviewed the internal control framework of the City. Internal control is a set of activities, rules, and procedures implemented by the City to ensure the integrity of financial and accounting information, promote accountability, and prevent fraud. There were no findings cited by the auditors during their review of the City internal control over its financial reporting. Additionally, the auditors issued their reports on the agreed upon procedures for the City's monthly treasurer's report and the City's appropriations limit worksheets.

Government-wide Financials

Fiscal year 2021-22 reflects significant economic recovery from the pandemic and the effects of stay-at-home orders, which drastically impacted the City's sales and transient occupancy taxes in the prior year. The City's total revenues from all sources were $31,197,957 while the total cost of all programs and services was $26,917,782. Compared to fiscal year 2020-21 total revenues were up 27.5%, primarily due to increases in sales tax, transient occupancy tax, recreation, and grants. Some of the financial highlights at the government-wide level are:

- The City increased its overall net position by $4,280,175 or 3.2% for a total net position of $136,113,993 primarily as a result of an increase in revenues, including federal stimulus funds, and lower than expected expenses during the fiscal year ending June 30, 2022.
- The City's overall fund balance increased by $3,702,578 for a total of $36,017,932 for all funds.
- Federal stimulus funds from the American Rescue Plan Act were received in the amount of $2,839,053.
- Charges for services saw an increase of 43.5% as a result of the opening of the Aliso Viejo Ranch, resuming recreation classes, aquatics, and higher demand for the Aliso Viejo Center.
- Gas taxes and funds from the Road Maintenance and Rehabilitation Account (RMRA or also referred to as SB1) increased due to higher gas consumption in fiscal year 2021-22. Gas taxes totaled $1,155,022 and expenses totaled $1,162,911, which funded road maintenance and rehabilitation. RMRA funding totaled $1,014,000 and expenditures in the amount $944,154 funded street rehabilitation projects along Deerhurst/Foxborough and Aliso Creek (Wolverine to Alicia).

- Total Capital Improvement projects totaling $2,096,842 was expended through a combination of special revenue funds, such as gas taxes, RMRA, and grants, as well as the General Fund. Street and traffic capital projects totaled $1,500,043, facility and building improvements in the amount of $572,107, and storm water projects totaling $24,692. Of the total expenses, the General Fund contributed $319,433 for storm water projects, facility improvements at the Aliso Viejo Ranch and Aquatic Center, and implementation of permitting software.

General Fund Highlights

Revenues: Excluding interfund transfers, General Fund revenues increased by $3,261,796 million or 18.5% for the year and again is attributed to higher sales and transient occupancy taxes. The City's main revenue sources are property tax, sales tax, transient occupancy taxes, and franchise fees. Property taxes have been the most reliable and stable local government revenue for decades and continues to be the City's largest revenue source at $9,211,738 this year. Property taxes were up 2.6% from the prior year and are expected to have similar growth next year.

Sales tax, the City's second largest revenue source, increased by $2,593,024 to $6,117,932, representing a 73.6% increase compared to fiscal year 2020-21. Reopening of businesses, people returning to work, higher gas prices, and inflation all contributed to the better-than-expected sales tax revenue. Fuel and service stations make up 30% of the City's sales tax revenues, followed by the City's share of the County pool receipts.

The hardest hit revenue category from the pandemic was transient occupancy taxes. Tourism and large gatherings such as conventions and conferences came to a halt during the pandemic and caused transient occupancy taxes to drop by more than 50% in fiscal year 2020-21. Fiscal year 2021-22 saw a rebounding in transient occupancy taxes to $1,413,074, an increase of almost 100% from the prior year. Although transient occupancy taxes were strong, revenue in fiscal year 2021-22 was still below the highs seen in fiscal year 2017-18 in the city.

Franchise fees increased slightly by 4.3% to $1,744,239 as a result of higher receipts from utility franchises as well as a double payment from the County of Orange, OC Waste and Recycling Waste Disposal Agreement for both fiscal year 2020-21 and 2021-22.

*Expenditures***:** Actual expenditures incurred were $1,993,126 lower than the final year-end budget as a result of vacancy credits provided by the Orange County Sheriff's Department due to lower staffing levels, part-time vacancies in recreation, lower consulting costs for building and planning, and delayed capital improvement projects at the Ranch.

*Ending Fund Balance***:** Ending Fund Balance for the year increased by $3,449,005 or 12.7% from fiscal year 2020-21, for a total ending balance of $30,580,168. Included in the fund balance are non-spendable funds of $81,267 and assigned funds of $25,983,015 for contingencies, self-insurance and benefit obligations, asset replacement, and

emergencies. The unassigned portion is the part of fund balance that is available for use without constraints established by legal requirements totals $4,515,886. The total fund balance at the fiscal year end of June 30, 2022, is equal to 125% of the fiscal year 2022-23 Adopted General Fund Budget appropriations.

Re-appropriation of Fund Balances

As part of the closing process of fiscal year 2021-22, Staff has identified various grants and projects that were approved and budgeted in fiscal year 2021-22 and were unspent as of June 30, 2022. Staff is requesting the following funds to be re-appropriated to the current fiscal year 2022-23 budget so that the projects can be completed.

Fund	Project Description	Amount
General Fund	AV Ranch audio and visual equipment installation	$48,000
General Fund	AV Ranch design and construction of historic site exhibitions	$75,000
Federal Grants	Community Development Block Grant - CARES Act	$239,983
	Total	$362,983

Attachments:

1. FY 2021-22 Annual Comprehensive Financial Report
2. Statement on Auditing Standards 114 Letter
3. Report on Internal Controls
4. Report on Appropriations Limit
5. Report on Treasurer's Monthly Statement
6. Resolution

ALISO VIEJO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For Fiscal Year Ended June 30, 2022



ABOUT THE COVER:

The fiscal year 2021-22 ACFR cover displays a view of a sculpture titled Onward in front of the Red Barn at Aliso Viejo Ranch. Standing seven feet tall and measuring seven feet across, the abstract steel piece was created by local artist Jon Seeman, and features numerous historic items found onsite.

Aliso Viejo Ranch sits on the last remaining parcel of the 22,000-acre Moulton Ranch. It showcases Orange County's development and highlights the agricultural history of the United States, and provides a site for educational classes, community programs, and special events.



CITY OF ALISO VIEJO
Aliso Viejo, California

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Prepared by

FINANCIAL SERVICES

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CITY OF ALISO VIEJO
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FOR FISCAL YEAR ENDED JUNE 30, 2022
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ALISO VIEJO
Live Life Inspired

MAYOR
Ross Chun

MAYOR PRO TEM
Richard Hurt

COUNCIL MEMBER
Tiffany Ackley

COUNCIL MEMBER
Dave Harrington

COUNCIL MEMBER
Mike Munzing

CITY MANAGER
David A. Doyle

CITY ATTORNEY
Scott C. Smith

CITY CLERK
Mitzi Ortiz, MMC

December 15, 2022

To the Residents of the City of Aliso Viejo:

It is with great pleasure that we present the City of Aliso Viejo's Annual Comprehensive Financial Report (ACFR) for fiscal year 2021-22. This report has been prepared by the Department of Financial Services in conformity with Generally Accepted Accounting Principles (GAAP) and has been audited in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed Certified Public Accountants.

The report consists of management representations concerning the finances of the City. Consequently, responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements. Since the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to fairly present the financial position of the City. All disclosures necessary to enable an understanding of the City's financial activities have been included.

Rogers, Anderson, Malody & Scott, LLP, a firm of licensed Certified Public Accountants, has audited the City of Aliso Viejo's financial statements. The goal of the independent audit is to provide reasonable assurance that the City's financial statements for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Aliso Viejo's financial statements for the fiscal year

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ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

This ACFR includes the financial activity for all funds of the City. In addition to the fund-by-fund financial information presented in the City's financial statements, government-wide financial statements are also included. The government-wide financial statements include a Statement of Net Position that provides the total net equity of the City, including infrastructure, and the Statement of Activities that shows the cost of providing government services. These statements have been prepared using the accrual basis of accounting whereas the fund financial statements were prepared using the modified accrual method. A reconciliation report is provided as a key to understanding the changes between the two reporting methods. In addition, the Statement 34 standard includes an emphasis on the City's major funds as shown in the Governmental Fund Statements. These statements, combined with other information, are further analyzed in a narrative section called Management's Discussion and Analysis (MD&A). The MD&A provides "financial highlights" and interprets the financial reports by analyzing trends and explaining changes, fluctuations, and variances in the financial data. In addition, the MD&A is intended to disclose any known significant events or decisions that affect the financial condition of the City. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

PROFILE OF THE CITY

The City of Aliso Viejo was incorporated on July 1, 2001, as a general law city under the laws of the State of California. The City of Aliso Viejo encompasses approximately seven square miles in south Orange County and has a population of 50,782 per data provided by the California Department of Finance (DOF). Approximately 46 miles south of Los Angeles and 70 miles north of San Diego, the City is adjacent to the cities of Laguna Beach, Laguna Woods, Laguna Hills, and Laguna Niguel.

The City operates under the Council-Manager form of government. The City Council is comprised of five members elected at large for staggered four-year terms of office. The Mayor and Mayor Pro-Tem are selected by the Council from among its members to serve one-year terms. The Council acts as the legislative and policy-making body of the City, enacting all laws and directing such actions as required, to provide for the general welfare of the community.

The City Manager is appointed by the City Council and is responsible for overseeing the operations of the City and implementing the policy decisions made by the City Council. The City Attorney and City Treasurer are also appointed by the City Council. All other department heads and employees are appointed by the City Manager.

The City provides municipal services through a combination of in-house staffing and contract services. Police and fire services, street maintenance, building, code enforcement,

and legal services are all provided through contracts. The Aliso Viejo Community Association, a master community association, owns and manages 21 parks within the City limits. This Association also maintains most of the landscaped slopes and parkways. The City owns and manages Iglesia Park, Vista Park, and the Aliso Viejo Ranch. The Orange County Library System provides public library services.

Prior to the beginning of each fiscal year, the City Council adopts the annual budget, which serves as the foundation for the City's financial planning and control. The budget is arranged by fund, function, and department and presented to the Council by the City Manager. The level of budgetary control is established at the fund level. Transfers of appropriations between fund budgets can be made with the approval of the City Manager and Director of Financial Services. The City Council's approval is required for all budget amendments that result in a change to fund balances. The budget is reviewed midyear in January by the City Manager and the Director of Financial Services to ensure compliance with City Council direction. The midyear budget is then reviewed by the City Council and consideration is given to necessary adjustments for new programs, projects and other adjustments to ensure that expenditures and revenues are in line with the budgeted projections.

The City maintains an encumbrance accounting system as an additional method of budgetary control. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

ECONOMIC CONDITION AND OUTLOOK

Information presented in the City's financial statements is best understood within the context of our broader economic conditions. The City's local economy is showing life once again as the Southern California region continues to emerge from COVID-19. As a result of the pandemic, the Federal Government enacted several different stimulus programs to assist State, County, and local governments with the costs of responding to the health crisis as well as the economic fallout from decreasing revenues. The American Rescue Plan Act (ARPA) allocated approximately $5.6 million in funding to the City, with the first half used in fiscal year 2021-22 and second half in 2022-23. Although ARPA funds provide some economic relief, these are one-time funds and additional federal aid is not expected.

The industries that were hit the hardest during the pandemic were fuel and service stations, restaurants, and hotels. As stay-at-home restrictions were lifted, fiscal year 2021-22 saw a rebound within these industries to pre-pandemic levels and resulted in better-than-expected sales and hotel tax revenues. Despite the positive recovery from the pandemic, severe inflation poses a significant threat to the economy. Higher costs for fuel, food, consumer goods, and services, coupled with higher interest rates and a cooling housing market, raise recession fears.

Based on the UCLA Anderson's Forecast in September 2022, economic growth will continue to slow in 2023. UCLA projects the economy will grow on average 1.5% in 2022 and 0.3% in 2023, and projects a less than 50% chance of a recession in the next 12 months. However, factors such as the Federal Reserve continuing to aggressively raise rates and high inflation reaching 8%, may exacerbate a slowing economy and worsen economic conditions.

LOCAL ECONOMY

Although California's unemployment rate was estimated at 4.1% in August 2022, Orange County's rate has been consistently lower and was estimated at 3.0%, according to the latest available data by the California Employment Development Department. Aliso Viejo is comprised of single-family homes, condominiums, and apartments as well as a mixture of retail, office, light industrial, and service entities providing a solid tax base for the City. Most retail and commercial businesses are oriented toward serving residents and visitors. The City is also home to numerous regional and corporate headquarters in a variety of industries, particularly in the biomedical and healthcare industries. This dynamic local business environment and availability of amenities in the community will assist Aliso Viejo in mitigating the impact of a recession and position its local economy for future recovery. The City is nearly built out, with limited future opportunities for new residential or commercial construction. However, revitalization of existing sites, such as in the Aliso Viejo Town Center and Aliso Viejo Commons provide new opportunities and funding sources for the City.

The City's major revenue sources are property taxes, sales taxes, franchise fees, and transient occupancy taxes. The City also receives significant revenue through property taxes in-lieu of motor vehicle license fees, which are apportioned similarly to property taxes. General fund revenues for FY 2021-22 totaled $20.9 million, compared to $17.7 million in the prior year. The increase is attributable to higher sales tax and transient occupancy taxes as a result of lifted stay-at-home orders and the reopening of businesses, as well as rising gas prices and inflation.

The City was able to adopt a balanced budget for FY 2022-23 using federal funds from ARPA. General Fund revenues were estimated to total $23.8 million, which includes $2.8 million in ARPA funds. Expenditures total $23.8 million and provides funding to maintain current service levels. Reserves in the amount of $657,050 will be utilized for the City's debt service payment on the Certificate of Participation.

LONG TERM FINANCIAL PLANNING

As of June 30, 2022, the City has a General Fund balance of $30.6 million. The balance includes $3.5 million for contingencies, $0.6 million for insurance and benefit obligations, $11.9 million for future replacement of City infrastructure assets, and $10.0 million for emergencies and unanticipated CIP projects. The unassigned fund balance is $4.5 million

and provides a safety net that ensures government services are not impacted in the event of an unanticipated budget shortfall or emergency situation.

On August 13, 2019, the City issued $12,250,000 of tax-exempt Certificates of Participation to provide financing for the construction of the Aliso Viejo Ranch. The principal is due annually in amounts ranging from $230,000 to $635,000 on November 1 of each year commencing in 2020 through the year 2049. Interest is payable semi-annually in amounts ranging from $9,525 to $212,325 and is due on May 1 and November 1 of each year commencing on November 1, 2019. The interest payments have rates ranging from 0.96% to 3.09%. The City publishes a Five-Year Strategic Plan to identify key factors affecting the City's fiscal outlook, examine fiscal trends, and analyze the General Fund's ability to continue current services, maintain existing assets, and fund City Council initiatives over the next five years. The Five-Year Strategic Plan is updated and published periodically.

RELEVANT FINANCIAL POLICIES

The City has made a practice of living within its means since incorporation. In fiscal year 2005-06, the City Council formally adopted a Management and Budget policy to promote sound financial management which, in turn, led to improved bond ratings and lower cost of capital. The City continues to be conservative with expenditures while maintaining adequate reserves in accordance with City policies. General Fund surpluses, as well as outside funding sources when available, have been used to fund projects as directed by the City Council. To uphold the City's reputation of providing excellent amenities for residents and businesses, City staff continues to actively pursue outside grants and funding opportunities whenever possible. The City's Fund Balance Policy was approved in 2012 to establish procedures for reporting unrestricted fund balances in the City's financial statements. The policy authorizes the City Manager and Director of Financial Services to prepare financial reports which accurately categorize fund balance per GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions.* The City's long-term financial plans are also in accordance with these policies.

MAJOR INITIATIVES

The City's Economic Development program continued ongoing initiatives aimed at facilitating the retention and expansion of existing businesses, attracting new businesses to the community, and promoting the City's "business friendly" environment.

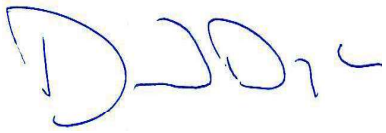
In July 2016, the City entered into an economic development subsidy agreement with EFUEL. EFUEL is an on-site mobile fueling business for diesel fueled vehicles and generators within the City. Under this agreement, EFUEL receives a graduated percentage (starting at 50% and up to 70%) of sales tax revenue received by the City attributable to EFUEL. For the year ended June 30, 2022, the City abated sales taxes totaling $407,866.

The City, after extensive community outreach and prior efforts to develop the 7.7 acre City-owned Aliso Viejo Ranch site, developed a plan to preserve and adaptively reuse the historic structures and to add new community, agricultural, educational, and park uses to the property. By rehabilitating the historic structures on site, the project aims to pay homage to the historic character of the site and surrounding area while balancing the community's need for new and expanded community facilities. Construction began on the facility in May 2019 and was officially opened in May of 2021. The facility provides community event spaces, educational programs, special events, youth camps, and other recreational activities. In its first full fiscal year in operation, the Aliso Viejo Ranch provided $441,263 in facility rental income and $828,757 in revenue from recreation classes, camps, and other activities.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) offers a Certificate of Achievement for Excellence in Financial Reporting to cities for their Annual Comprehensive Financial Report (ACFR). This Certificate is a prestigious award, recognizing conformance with the highest standards of state and local government financial report preparation. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR, whose contents conform to program standards. Such an ACFR must satisfy both generally accepted accounting principles and applicable legal requirements. The City submitted its FY 2020-21 ACFR and is pending review. The Certificate is valid for a period of one year. The City will also be submitting its FY 2021-22 ACFR to GFOA for review. We would like to recognize the assistance of the Financial Services staff in the preparation of the ACFR and to our independent auditor, Rogers, Anderson, Malody & Scott, LLP for their expertise and guidance in preparing the financial report. Through the team effort of the City Council and staff, the City has been able to maintain a sound financial base from which to operate and continue to provide a high level of service to the community.

Respectfully submitted,



David Doyle
City Manager



Government Finance Officers Association

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Presented to

City of Aliso Viejo
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

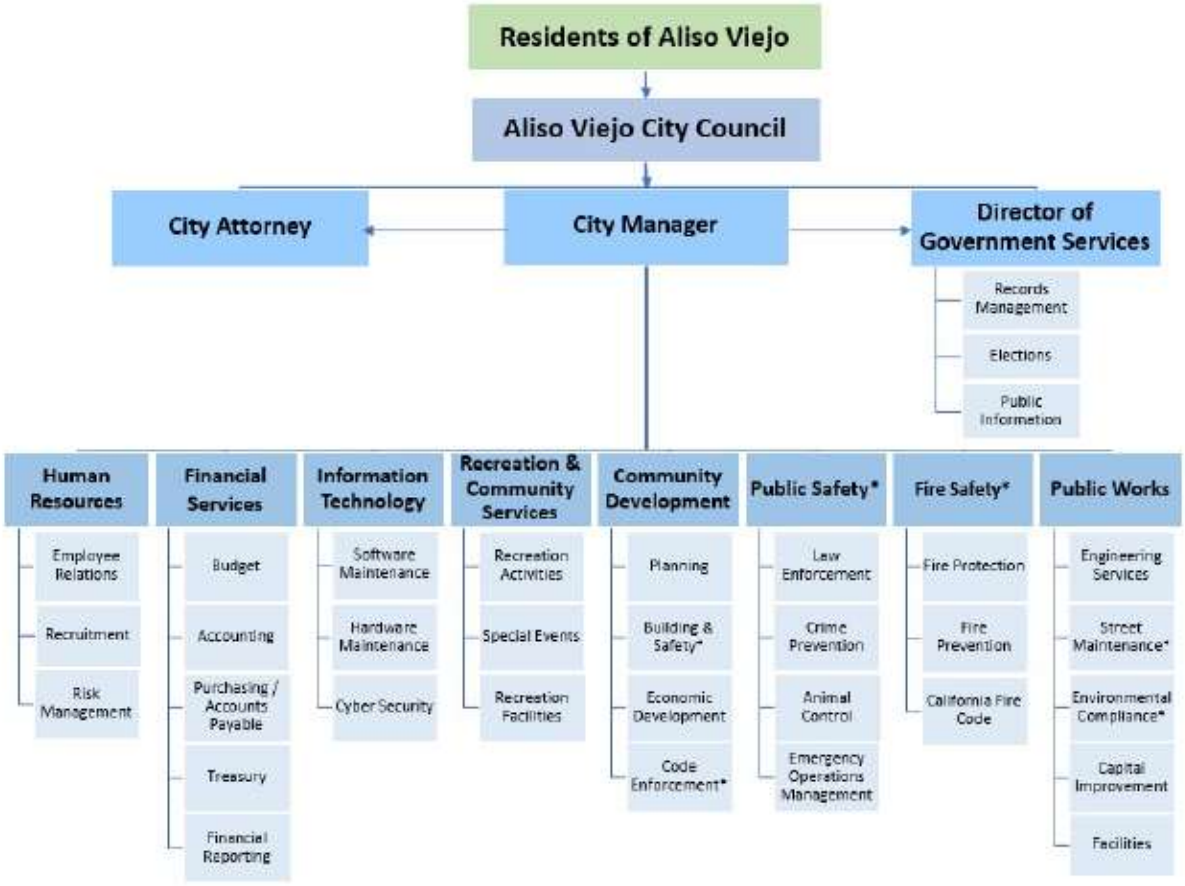
June 30, 2020

Christopher P. Morrill

Executive Director/CEO

City of Aliso Viejo
Organizational Chart

June 30, 2022



*Contract Services

CITY OF ALISO VIEJO
LIST OF PRINCIPAL OFFICIALS

Council-Manager Form of Government

CITY COUNCIL

ROSS CHUN
Mayor

RICHARD HURT
Mayor Pro Tem

TIFFANY ACKLEY
Council Member

DAVID HARRINGTON
Council Member

MIKE MUNZING
Council Member

CITY ADMINISTRATION

DAVID DOYLE
City Manager

Scott Smith, City Attorney
Ann Eifert, Director of Financial Services/City Treasurer
Mitzi Ortiz, Director of Government Services/City Clerk
So Kim, Director of Community Development
Shaun Pelletier, City Engineer/Public Works Director
Lizzy Mendoza, Community Services Manager
Isaac Aziz, Information Technology Manager
Captain Scott Merrill, Chief of Police Services (Orange County Sheriff's Department)
Division Chief Baryic Hunter, Fire Services (Orange County Fire Authority)

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Independent Auditor's Report

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San Bernardino, CA 92408
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Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Welebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Brenda L. Odle, CPA, MST (Partner Emeritus)

MANAGERS / STAFF
Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA, CGMA
Seong-Hyea Lee, CPA, MBA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
Xinlu Zoe Zhang, CPA, MSA
John Maldonado, CPA, MSA
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Quality Center

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Certified Public Accountants

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To the Honorable Mayor and Members of the City Council
City of Aliso Viejo, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Aliso Viejo, California (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Emphasis of Matter

As discussed in Note 1 to the financial statements, in the year ended June 30, 2022, the City adopted new accounting guidance under Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis and schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
December 15, 2022

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Our discussion and analysis of the City of Aliso Viejo's financial performance provides an overview of the City's financial activities for the year ended June 30, 2022. Please read it in conjunction with the transmittal letter at the front of this report and the accompanying basic financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- The General Fund balance increased by $3,449,005 or 12.7% from fiscal year 2020-21, to a total balance of $30,580,168. This balance is comprised of non-spendable funds of $81,267, assigned funds of $25,983,015, and $4,515,886 of unassigned funds. The estimated fund balance at the fiscal year end of June 30, 2022, is equal to 125% of the fiscal year 2022-23 Adopted General Fund budget appropriations, including debt service payments.
- The General Fund's actual resources available for appropriation (revenue inflows) exceeded the final budget by $1,427,212 and actual expenditures (outflows) were $1,993,126 under budget. General Fund revenues and transfers in for the amount of $24,296,263 exceeded expenditures and transfers out of $20,847,258 by $3,449,005.
- The City increased its overall net position by $4,280,175 or 3.2% for a total net position of $136,113,993 primarily as a result of an increase in revenues, including federal stimulus funds, and lower than expected expenses during the fiscal year ending June 30, 2022.
- The City's overall fund balance increased by $3,702,578 for a total of $36,017,932 for all funds. Total revenue from all sources amounted to $30,980,639, an increase of $6,676,138, primarily due to federal stimulus funds from the American Rescue Plan Act in the amount of $2,839,053 and an increase in sales and transient occupancy taxes, as a result of economic recovery from the pandemic. Total expenditures, including debt service and capital outlay totaled $27,301,192.
- City governmental activities amounted to $26,917,782, a slight decrease of $46,459, from fiscal year 2020-21. The decrease is a result of one-time expenses related to the pandemic response that occurred in fiscal year 2020-21. City program revenues totaled $12,687,822, which is comprised of charges for services and funding through other governmental agencies. The net cost of governmental activities is $14,229,960, which is primarily funded with General Fund revenues.
- Deferred inflows increased by $180,289 or 33.4% primarily due to GASB 87 reporting of lease revenue from City Hall rental agreements.
- The City spent $2,641,341 for its street maintenance, traffic mitigation, and street improvements and rehabilitation projects. Per the City's most recent Pavement Management Plan, the City's pavement condition index improved from 82 to 83.
- The City spent $596,799 on Capital Improvement projects such as Dairy Fork and Wood Canyon wetland rehabilitation projects, new permitting software implementation, and facility improvements at the Aquatic Center and Aliso Viejo Ranch.
- Gas taxes and funds from the Road Maintenance and Rehabilitation Account (RMRA or also referred to as SB1) increased due to higher gas prices in fiscal year 2021-22. Gas taxes totaled $1,155,022 and expenses totaled $1,162,911, which funded road maintenance and rehabilitation. RMRA funding totaled $1,014,000 and expenditures in the amount $944,154 funded the City's street rehabilitation projects along Deerhurst/Foxborough and Aliso Creek (Wolverine to Alicia).

- Measure M revenue totaled $862,377, while expenses totaled $398,961. This contributed to the increase of $630,395 in fund balance for other governmental funds. These funds are typically carried over to fund larger capital improvement projects.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and allow a longer term view of the City's finances. Fund Financial Statements tell how City services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

Reporting the City as a Whole: The Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities report information about the City as a whole and in a way that helps clarify the City's overall financial position. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private sector companies. All current year revenues and expenses are taken into account, regardless of when cash is received or paid. These two statements report the City's net position and changes in them. Net position, which is the difference between assets and liabilities, is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position is one indicator of whether its financial health is improving or deteriorating. Consideration should also be given to other non-financial factors, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall health of the City.

All of the City's basic services are considered to be governmental activities. The Statement of Net Position and the Statement of Activities present information about these governmental activities, including general government, community development, community services, public safety, and public works. Property tax, sales tax, transient occupancy tax, and franchise fees finance 69% of these activities.

Reporting the City's Most Significant Funds: Fund Financial Statements

The Fund Financial Statements provide detailed information about the most significant funds - not the City as a whole. In addition to the General Fund, other funds included are Other Grants, Aliso Viejo Center, and Federal Grants. Lesser funds are collectively reported as Other Governmental Funds. Some funds are required to be established by State law. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

The City currently has just one type of fund - governmental - which uses the modified accrual accounting approach. Governmental funds focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. Most of the City's basic services are reported in governmental funds. Under the modified accrual method of accounting, revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current fiscal period while expenditures are recognized in the accounting period in which the liability is incurred. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or less financial resources that can be spent in the near future to finance the

City's programs. The relationship and differences between governmental activities reported in the Statement of Net Position and the Statement of Activities and the governmental funds statements are detailed in the reconciliations immediately following each of the fund financial statements.

The City as Trustee: Reporting the City's Fiduciary Responsibilities

The City is the trustee, or fiduciary, for certain amounts held on behalf of developers, property owners, and others. The City's fiduciary activities are reported in the Statement of Fiduciary Assets and Liabilities. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used only for their intended purposes.

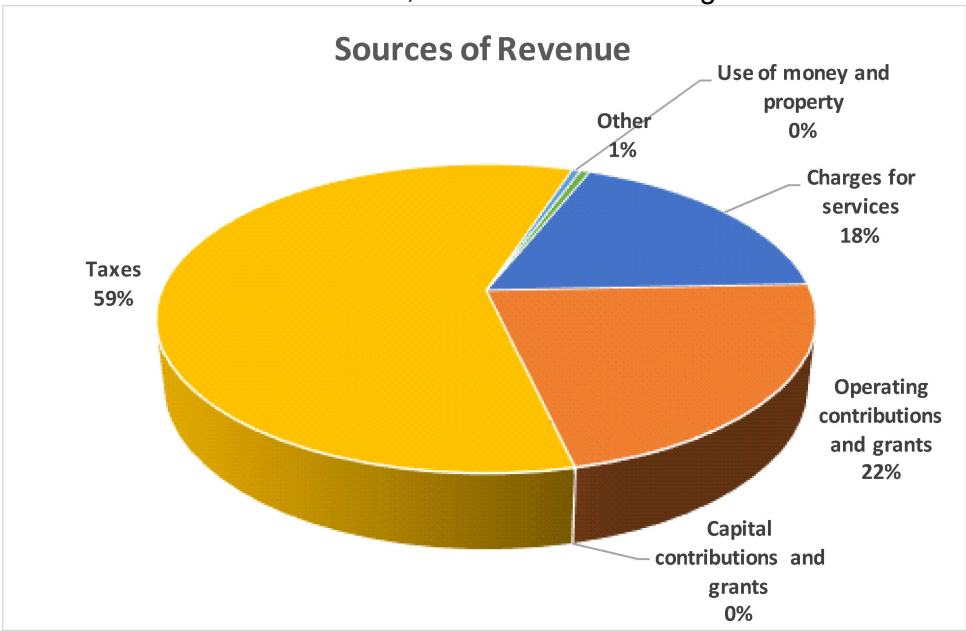
THE CITY AS A WHOLE

Our analysis focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental activities. The City has no business-type activities.

Table 1
Condensed Statement of Net Position

	Governmental Activities	
	2022	2021
Current and other assets	$ 44,459,929	$ 39,453,424
Capital assets, net	113,104,830	113,977,966
Intangible assets, net	14,862	-
Total assets	**157,579,621**	**153,431,390**
Total deferred outflows of resources	**618,811**	**630,871**
Current liabilities	8,140,125	7,268,987
Non current liabilities	13,224,141	14,419,572
Total liabilities	**21,364,266**	**21,688,559**
Total deferred inflows of resources	**720,173**	**539,884**
Net Position:		
Invested in capital assets	100,348,736	101,009,829
Restricted	5,840,779	5,222,524
Unrestricted	29,924,478	25,601,465
Total net position	**$ 136,113,993**	**$ 131,833,818**

Total net position increased by $4,280,175 or 3.2% to $136,113,993 in fiscal year 2021-22, as a result of an increase in current and other assets. Total assets increased 2.7% or $4,148,231 to $157,579,621 from the prior fiscal year primarily due to funding from the American Rescue Plan Act, higher than expected sales and transient occupancy tax revenue, and lower than expected expenditures related to public safety and recreation. The largest portion of the City's net position at June 30, 2022, reflects its investment in its buildings and infrastructure. Capital assets, net of related debt for fiscal year 2021-22 total $100,348,736 and represents 74% of the City's total net position. $5,840,779 is restricted, representing special revenue resources that are subject to their funding stipulations, such as street improvements, specific public safety expenditures, and community development projects. Unrestricted net position totals $29,924,478 for the year ending June 30, 2022, and is an increase of $4,323,013, which is attributed to an increase in resources, such as ARPA funding and tax revenue.



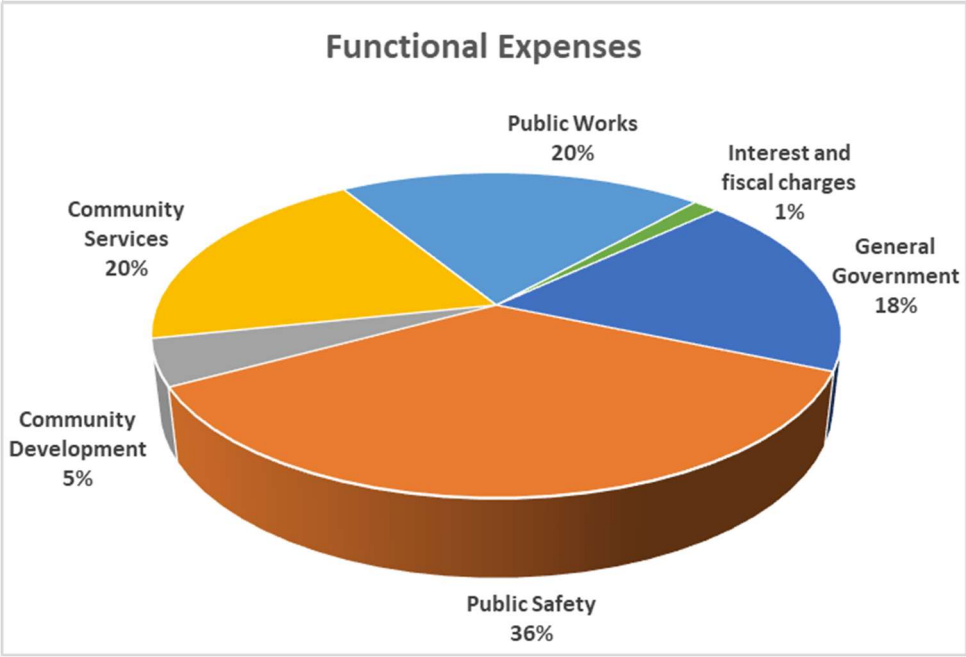


Table 2
Change in Net Position

	Governmental Activities	
	2022	2021
Revenues		
Program revenues:		
Charges for services	$ 5,742,780	$ 4,001,459
Operating contributions and grants	6,945,042	4,852,523
General revenues:		
Taxes:		
Sales taxes	6,117,932	3,524,908
Property taxes	9,211,738	8,981,521
Franchise taxes	1,744,239	1,672,280
Transient occupancy taxes	1,413,074	723,599
Motor vehicle license fees	57,547	36,704
Use of money and property	(153,060)	377,709
Other	118,665	292,095
Total revenues	31,197,957	24,462,798
Expenses		
General government	4,943,476	5,621,731
Community development	1,244,026	1,754,782
Community services	5,264,667	3,695,994
Public works	5,473,152	6,016,332
Public safety	9,601,888	9,480,235
Interest and fiscal charges	390,573	395,167
Total expenses	26,917,782	26,964,241
Increase (Decrease) in net position	**4,280,175**	**(2,501,443)**
Net position - beginning of year	131,833,818	134,335,261
Net position - end of year	$ 136,113,993	$ 131,833,818

Fiscal year 2021-22 reflects significant economic recovery from the pandemic and the effects of stay-at-home orders, which drastically impacted the City's sales and transient occupancy taxes in the prior year. The City's total revenues from all sources were $31,197,957 while the total cost of all programs and services was $26,917,782. Compared to fiscal year 2020-21 total revenues were up 27.5%, primarily due to increases in sales tax, transient occupancy tax, charges for services, such as recreation, and grants.

Total expenses decreased by less than 1% or $46,459. Decreases in general government, community development, and public works were offset by increases in spending for public safety and Community Services as a result of the opening of the Aliso Viejo Ranch and resuming of recreation activities that were halted because of the pandemic in fiscal year 2020-21. Community Services saw an increase in spending of $1,568,673, or 42.4%. This reflects the first full fiscal year of the operation of the Aliso Viejo Ranch, as well as the reopening of the Aliso Viejo Center and the Aliso Viejo Aquatic Center. Public Safety increases of $121,653, or 1.3%, resulted from higher contractual costs with the Orange County Sheriff's Department and animal control services.

Overall decrease in spending for all other programs were primarily due to one-time funding programs that were available in fiscal year 2020-21 as a response to the pandemic. Funds were provided for business assistance and other Covid-19 safety measures and thus impacted Economic development expenditures by approximately $600,000. Other programs saw various expenditure decreases from savings in salaries and benefits due to vacant positions, supply chain issues, and lower contractual costs due to delay in various projects.

Excluding interfund transfers, General Fund revenues increased by $3,261,796 or 18.5% for the year and again is attributed to higher sales and transient occupancy taxes. The City's main revenue sources are Property Tax, Sales Tax, Transient Occupancy Taxes and Franchise Fees. Property Taxes have been the most reliable and stable local government revenue for decades and continues to be the City's largest revenue source at $9,211,738 this year. Property Taxes were up 2.6% from the prior year and are expected to have similar growth next year. This increase can be attributed to increases in home values resulting in higher assessed values and the effect of Proposition 8 assessed value adjustments.

Sales tax, the City's second largest revenue source, increased by approximately $2.6 million or 73.6% compared to fiscal year 2020-21. Reopening of businesses, people returning to work, higher gas prices, and inflation all attributed to the better-than-expected sales tax revenue. Fuel and service stations make up 30% of the City's sales tax revenues, followed by the City's share of the County pool receipts.

The hardest hit revenue category from the pandemic was transient occupancy taxes. Tourism and large gatherings such as conventions and conferences came to a halt during the pandemic and caused transient occupancy taxes to drop by more than 50% in fiscal year 2020-21. Fiscal year 2021-22 saw a rebounding in transient occupancy taxes to $1.4 million, an increase of almost 100% from the prior year. Although transient occupancy taxes were strong, revenue in fiscal year 2021-22 was still below the highs seen in fiscal 2017-18 in the city.

Franchise fees increased slightly by 4.3% as a result of higher receipts from utility franchises as well as a double payment from the County of Orange, OC Waste and Recycling Waste Disposal Agreement for both fiscal year 2020-21 and 2021-22.

Charges for services saw an increase of 43.5% as a result of the opening of the Aliso Viejo Ranch, resuming recreation classes, aquatics, and higher demand for the Aliso Viejo Center.

The current performance of City revenues is reflective of the present state of the economy, impacts of the pandemic, recovery solutions implemented by the State and Federal governments as well as its excellent fiscal management and direction by Council. These significant revenues fund a large part of the City's basic services.

Government Activities

Tables 3 and 3A present the cost of each of the City's programs: General Government (Administrative Services), Community Development, Community Services, Public Safety, and Public Works as well as each program's net cost (total cost less revenues generated by the activities).

Table 3
Net Cost of Governmental Activities
Fiscal Year Ended June 30, 2022

	Total Cost of Services	Program Revenues	Net (Revenue)/Cost of Service
General government	$ 4,943,476	$ -	$ 4,943,476
Community development	1,244,026	(1,045,592)	198,434
Community services	5,264,667	(5,054,146)	210,521
Public works	5,473,152	(6,258,548)	(785,396)
Public safety	9,601,888	(329,536)	9,272,352
Interest and fiscal charges	390,573	-	390,573
Total	$ 26,917,782	$ (12,687,822)	$ 14,229,960

Table 3A
Net Cost of Governmental Activities
Fiscal Year Ended June 30, 2021

	Total Cost of Services	Program Revenues	Net (Revenue)/Cost of Service
General government	$ 5,621,731	$ -	$ 5,621,731
Community development	1,754,782	(1,985,136)	(230,354)
Community services	3,695,994	(2,469,572)	1,226,422
Public works	6,016,332	(3,929,195)	2,087,137
Public safety	9,480,235	(470,079)	9,010,156
Interest and fiscal charges	395,167	-	395,167
Total	$ 26,964,241	$ (8,853,982)	$ 18,110,259

The City's total expenses were $26,917,782 for all city services, which includes, law enforcement, animal control services, NPDES (storm water runoff), street repairs, engineering, building and planning services, recreation programs, administrative costs, and capital outlay.

General Government expenses are 18.4% of the total expenses and include City Council, City Manager, City Attorney, City Clerk, Human Resources, Financial Services, Information Technology, and other general expenses, such as insurance premiums, maintenance of City Hall, community outreach, and City memberships. The decrease of $678,255, or 12.1% over the prior year was primarily due to one-time

expenses incurred in fiscal year 2020-21 for Covid-19 response, as well as the movement of economic development activities into Community Development.

Community Development expenses are 4.6% of the expenses and include Planning, Building and Safety, Code Enforcement, and Economic Development activities. Expenses incurred for these activities decreased this year by 29% and is due to lower building and planning services. In addition, fiscal year 2020-21 saw one-time funding in the amount of $154,650 towards low-income housing programs, which was funded through development impact fees.

Community Services expenses are 19.6% of the governmental services expenses and increased 42.4% over last year as programs reopened after the pandemic. These costs include Community Services administration, recreation programs, Iglesia Community Center, and operating costs for Iglesia Park, Aliso Viejo Ranch, Aliso Viejo Center, and Aliso Viejo Aquatic Center. Events at the Aliso Viejo Center resumed during the fiscal year and resulted in a net transfer to the General Fund in the amount of $479,243. General fund provided a transfer in the amount of $108,388 to cover the operational gap for the Aquatic Center Fund. The City continues to explore marketing of the facilities and new programs to generate additional revenues to assist with offsetting operational costs. Personnel costs increased in preparation of new programs that will be offered by the recreation department as well as the management and operations of the Aliso Viejo Ranch facility. One-time spending on capital projects completed at the aquatic center included shade structures and gate repairs. Improvements at the Ranch included equipment and construction of a sound barrier wall.

Public Works expenses are 20.3% of the governmental services. Public Works spending decreased by 9.0%, or $543,180, mainly due to lower street rehabilitation and maintenance costs. The Public Works department manages all street and traffic maintenance, environmental compliance, and all capital improvement projects. Operating contributions and grants provide a large portion of the funding for this function. Special Revenue funds, which are comprised of TCRF, Gas Tax, SB1, and Measure M monies, are also used to subsidize the costs of this program.

Public Safety expenses comprise the largest expense of the City at 35.7% of the governmental services expenses and include contract costs with the Orange County Sheriff Department for law enforcement services, the City of Mission Viejo for animal services, crossing guards, emergency operations management, and crime prevention outreach services for the City. Public Safety costs were up $121,653, or 1.3%, from the prior year largely due to the increase in contract costs. Revenues from Fines, Fees & Forfeitures, and Operating Contributions & Grants assist with offsetting the costs of this program.

A portion of the increases in appropriations across all departments are due to cost-of-living adjustments as required by existing contract services agreements, the City's employee pay for performance plan, and 1.7% cost-of-living adjustment effective July 1, 2021.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

At year-end, the City's Governmental Funds reported a combined Fund Balance of $36,017,932, an increase of 11.5% or $3,702,578 from the prior year. This was primarily due to the increase in revenue as the local economy rebounded from the pandemic and funding from ARPA.

Overall, City operations were consistent with prior year operating levels, with the exception of services at the Aliso Viejo Ranch and increase in recreation programs. The current fund balance reflects both compliance with the Management and Budget policy adopted by the City Council and the City's fiscal

responsibility towards services. Gas taxes and funds from Road Maintenance and Rehabilitation Account (RMRA or also referred to as SB1) increased due to higher gas prices in fiscal year 2021-22. Gas taxes totaled $1,155,022 and expenses totaled $1,162,911, which funded road maintenance and rehabilitation. RMRA funding totaled $1,014,000 and expenditures in the amount $944,154 funded the City's street rehabilitation projects along Deerhurst/Foxborough and Aliso Creek (Wolverine to Alicia). Measure M revenue totaled $862,377, while expenses totaled $398,961. This contributed to the increase of $630,395 in fund balance for other governmental funds. These funds are typically carried over to fund larger capital improvement projects.

Total Capital Improvement projects totaling $2,096,842 was expended through a combination of special revenue funds, such as gas taxes, SB1, and other grants, and the General Fund. Street and traffic capital projects totaled $1,500,043, facility and building improvements in the amount of $572,107, and storm water projects totaling $24,692. Of the total funding, General Fund funded various CIP projects totaling $319,433 for storm water projects, facility improvements at the Aliso Viejo Ranch and Aquatic Center, and implementation of permitting software.

General Fund Budgetary Highlights

Revenues: Actual revenues received exceeded the final year-end budget projections by $1,427,212 or 6.2%. General fund taxes totaled $18,420,699 and represents 75.8% of the fund's resources. Property tax is the largest contributor, followed by sales, franchise fees, and transient occupancy taxes. Property taxes received was on target at an approximately $9.2 million. Sales tax revenue totaled $6,117,932 and outperformed budget estimates by $1,117,932 due to conservative budget estimates as uncertainty in economic activity remained high following the pandemic's stay-at-home measures. In addition, high inflation and gas prices experienced during the fiscal year also attributed to the better-than-expected sales tax revenue.

Transient occupancy taxes totaled $1,413,074 and was $213,074 higher than the estimated budget as occupancy rates increased more than expected. Franchise fees received were 5.9%, or $91,741 over budget primarily from higher revenue from utilities, as well as an additional payment in the amount of $55,022 received during fiscal year 2021-22 for fiscal year 2020-21 from the County of Orange, OC Waste and Recycling Waste Disposal Agreement.

Expenditures: Actual expenditures incurred were $1,993,126 or 8.7% lower than the final year-end budget as a result of the vacancy credits provided by the Orange County Sheriff's Department due to lower staffing levels, part-time vacancies in recreation, delayed information technology projects, and lower consulting costs for building and planning. Overall, General Fund expenditures in fiscal year 2022-23 are expected to increase due to higher labor costs as a result of cost-of-living adjustments and inflationary pressures on contracts and materials.

Ending Fund Balance: Ending Fund Balance for the year increased by 12.7% from fiscal year 2020-21, for a total ending balance of $30,580,168. Included in the fund balance are non-spendable funds of $81,267 and assigned funds of $25,983,015. The unassigned portion is the part of fund balance that is available for use without constraints established by legal requirements and totals $4,515,886. The total fund balance at the fiscal year end of June 30, 2022, is equal to 125% of the fiscal year 2022-23 Adopted General Fund Budget appropriations.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2022, the City had $113,104,830 invested in a broad range of capital assets, including police equipment, buildings, land, park facilities, furniture and fixtures, and roads. (See Table 4 below). Additions to capital assets being depreciated were made in the amount of $420,330 for various improvements at the Aliso Viejo Ranch. Depreciation expense in the amount of $1,293,466 was incurred in fiscal year 2021-22. For additional information on capital assets, refer to Note 5 of Notes to the Financial Statements.

The City of Aliso Viejo elected to use the modified approach in reporting their streets and roads network. Under the modified approach, infrastructure assets that are part of a network or subsystem of a network are not required to be depreciated if certain requirements are met, which are disclosed in the accompanying *Basic Financial Statements* and *Required Supplementary Information*. In March 2002, the City Council approved a condition level of 80 as the minimum acceptable Pavement Condition Index (PCI). The following schedule discloses a comparison between the City's assessed condition level of the streets and roads network as of June 30, 2022, and the City's adopted target level of condition.

	Actual Assessed Condition Level	Minimum Condition Level
Overall Pavement Network	83	80

Under the modified approach, GASB Statement No. 34 requires that condition assessments be performed every three years. Last completed in June 2022, the City traditionally performs an assessment every two years. It is the City's intention to have another complete assessment performed on or before fiscal year ending June 30, 2024.

During the year ended June 30, 2022, actual streets and roads maintenance project costs were $2,641,341 compared to the estimate of $3,432,500. The amount of underspending was due to project cost savings.

Table 4
Capital Assets at Year End
(Net of Depreciation)

Asset Type	2022	2021
Land	$ 14,315,978	$ 14,315,978
Buildings and improvements	37,017,900	37,371,801
Equipment, furniture and fixtures	522,540	562,440
Other infrastructure	7,159,777	7,639,112
Streets and highways	53,871,430	53,871,430
Construction in progress	217,205	217,205
Total capital assets	$ 113,104,830	$ 113,977,966

Table 4A
Intangible Assets at Year End
(Net of Amortization)

	2022	2021
Intangible right to use asset, net	$ 14,862	$ -
Total intangible assets	$ 14,862	$ -

In fiscal year 2021-22, the City implemented permit tracking software for Planning, Building, Code Enforcement, and Public Works. The software will increase efficiency with permitting processes for both internal and external customers, improve response times, and provide integration with the City's financial software.

Debt

On August 13, 2019, the City issued $12,250,000 of tax-exempt Certificates of Participation to provide financing for the construction of the Aliso Viejo Ranch. The principal is due annually in amounts ranging from $230,000 to $635,000 on November 1 of each year commencing in 2020 through the year 2049 with a coupon rate ranging from 2% to 4%.

In March of 2014, staff coordinated the refinancing of the Community Facilities District (CFD) bonds issued in conjunction with the Glenwood development. Based on the final pricing of the CFD bonds, Glenwood property owners are saving an average of $899 per year.

Non-Current Liabilities

Changes in non-current liabilities for the fiscal year ended June 30, 2022 were as follows:

Table 5
Non-Current Liabilities
June 30, 2022

	Balance at July 1, 2021	Additions	Deletions	Balance at June 30, 2022	Amount due within one year	Amount due beyond one year
Bonds payable	$ 12,020,000	$ -	$ 235,000	$ 11,785,000	$ 240,000	$ 11,545,000
Unamortized premium	935,795	-	32,269	903,526	-	903,526
Lease liability	-	23,131	8,625	14,506	8,682	5,824
Compensated absences	302,117	154,348	211,482	244,983	68,038	176,945
Total	$ 13,257,912	$ 177,479	$ 487,376	$ 12,948,015	$ 316,720	$ 12,631,295

For additional information on non-current liabilities, refer to Note 6 of the Notes to the Financial Statements.

ECONOMIC FACTORS AND FISCAL YEAR 2022-23 BUDGET

Although the national, state, and local economies continue to recover from the pandemic, economic uncertainty remains high due to the emergence of Covid variants, inflation, supply chain concerns, labor shortages, and political unrest abroad. Based on the UCLA Anderson's Forecast in September 2022, economic growth will continue to slow in 2023. UCLA projects the economy will grow on average 1.5% in 2022 and 0.3% in 2023, and projects a less than 50% chance of a recession in the next 12 months. However, factors such as the Federal Reserve continuing to aggressively raise rates and high inflation reaching 8%, may exacerbate a slowing economy and worsen economic conditions.

As a result, the fiscal year 2022-23 budget incorporates conservative revenue estimates with a spending plan that exercises fiscal restraint across all departments. The budget includes one-time funds from the American Rescue Plan Act (ARPA) in the amount of $2.8 million. This funding is essential in providing a balanced operating budget by restoring lost revenue from the pandemic and allowing the City to offset government service expenditures, primarily in public safety.

The coming year brings forth new challenges as communities face severe inflation. Inflation rates have reached 40-year highs and pose a significant threat to the economy as recession fears come into focus. Higher costs for fuel, goods, and services impact the quality of life of residents, exacerbate the housing and homelessness crises, and affect the City's ability to maintain the current levels of service our community has come to expect.

With City expenses outpacing revenue growth, it is more critical now than ever to focus on economic development and to pursue future revenue growth opportunities in the City. Funding for economic development activities at the Aliso Viejo Town Center remains a priority in the new year in order to expand on the City's diverse business base, which consists of a mix of high tech, medical/pharmaceutical, and retail companies.

Revenue projections are based on current market conditions, legislative developments, and impacts of the pandemic. Appropriations have been budgeted at a level to ensure operations are not impacted and fiscal reserves are maintained. Increases in expenditures are attributed to higher public safety contract costs for law enforcement, animal control, and crossing guards, as well as costs for the November election, information technology, professional and maintenance agreements, and recreation programs. Incremental increases in appropriations across all departments are due to increases in salaries and benefits for employees and include a 4.3% cost of living adjustment approved by Council. In addition, the budget includes various facility improvements at City Hall, Aliso Viejo Ranch, and the Aliso Viejo Center. All revenues and expenditures will be closely monitored to respond to challenges as they arise.

The budget for fiscal year 2022-23 includes appropriations for programs and projects as directed by the City Council. For fiscal year 2022-23, the City is projecting a balanced operating budget with General Fund revenues exceeding operating expenditures by $60,838. General Fund reserves totaling $657,050 will be utilized for debt service payment on the Certificates of Participation (COP). The General Fund balance at the end of fiscal year 2022-23 is estimated to be $29,983,956 and is 128% of the estimated operating budget.

The Capital Improvement Program Budget represents a balanced approach for meeting the community's current and future needs, while continuing to address priority issues expressed by the community and City Council. The Capital Improvement Program for fiscal year 2022-23 totals approximately $4.0 million and includes improvements to streets, storm water projects, and improvements to City facilities. Staff

continues to maximize the use of special revenues by actively pursuing grants and other funding opportunities from County, State, and Federal sources to help fund these programs.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Department of Financial Services, City of Aliso Viejo, 12 Journey, Suite 100, Aliso Viejo, California, 92656, or call (949) 425-2520.

CITY OF ALISO VIEJO

STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities
Assets:	
Cash and investments	$ 40,675,427
Receivables:	
Accounts	1,086,934
Accrued interest	22,879
Lease	214,621
Due from other governments	2,366,019
Inventory	9,032
Prepaid costs	85,017
Intangible assets, net of amortization	14,862
Capital assets not being depreciated	68,404,613
Capital assets, net of depreciation	44,700,217
Total Assets	**157,579,621**
Deferred Outflows of Resources:	
Pension related items	550,755
OPEB related items	68,056
Total Deferred Outflows of Resources	**618,811**
Liabilities:	
Current liabilities:	
Accounts payable	2,467,547
Accrued liabilities	282,995
Deposits payable	2,165,886
Retentions payable	67,924
Unearned revenue	2,839,053
Compensated absences - current portion	68,038
Long-term liabilities - current portion	248,682
Non-current liabilities:	
Compensated absences - non-current portion	176,945
Long-term liabilities - non-current portion	12,454,350
Net pension liability	47,870
Total OPEB liability	544,976
Total Liabilities	**21,364,266**
Deferred Inflows of Resources:	
Pension related items	72,529
OPEB related items	426,341
Leases	221,303
Total Deferred Inflows of Resources	**720,173**
Net Position:	
Net investment in capital assets	100,348,736
Restricted for:	
Community development projects	1,721,020
Public works	3,990,740
Public safety	129,019
Unrestricted	29,924,478
Total Net Position	**$ 136,113,993**

See accompanying notes to the financial statements.

CITY OF ALISO VIEJO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/ Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Contributions and Grants	Program Revenues: Capital Contributions and Grants	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities
Primary Government:					
Governmental activities:					
General government	$ 4,943,476	$ -	$ -	$ -	$ (4,943,476)
Public safety	9,601,888	173,133	156,403	-	(9,272,352)
Community development	1,244,026	1,045,592	-	-	(198,434)
Community services	5,264,667	4,524,055	530,091	-	(210,521)
Public works	5,473,152	-	6,258,548	-	785,396
Interest and fiscal charges	390,573	-	-	-	(390,573)
Total governmental activities	26,917,782	5,742,780	6,945,042	-	(14,229,960)
Total primary government	**$ 26,917,782**	**$ 5,742,780**	**$ 6,945,042**	**$ -**	**(14,229,960)**
		General revenues:			
		Taxes:			
		Property taxes, levied for general purpose			9,211,738
		Transient occupancy taxes			1,413,074
		Sales taxes			6,117,932
		Franchise taxes			1,744,239
		Motor vehicle in lieu - unrestricted			57,547
		Use of money and property			(153,060)
		Other			118,665
		Total general revenues			**18,510,135**
		Change in net position			4,280,175
		Net position, beginning of year			131,833,818
		Net position, end of year			**$ 136,113,993**

See accompanying notes to the financial statements.

GENERAL FUND

The General Fund has been classified as a major fund and is used to account for revenues and expenditures that are not required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for a particular purpose. The following funds have been classified as major funds.

Other Grants Fund

This fund is used to account for state, local, and other grants received such as Prop 10, CalRecycle, and the urban Runoff Grant.

Aliso Viejo Center

This fund is used to account for the operations of the Aliso Viejo Center. The Aliso Viejo Center is a City owned facility that serves as an ideal venue to accommodate an array of functions, such as banquets, wedding celebrations, conferences, and corporate events.

Federal Grants

The Federal Grants Fund is used to account for Federal Grants received by the City for various projects. Grants included are FTA Grants, T.A.R.P Funds, Federal Community Development Block Grants, and Energy Efficiency and Conservation Block Grants.

NON-MAJOR FUNDS

Other Governmental Funds

These funds constitute all other governmental funds that do not meet the major 10% and 5% test of assets, liabilities, revenues, or expenditures for the governmental funds. These funds consist of other Special Revenue Funds and Capital Projects Funds for the City.

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CITY OF ALISO VIEJO

BALANCE SHEET
GOVERNMENTAL FUNDS, (continued)
JUNE 30, 2022

	General Fund	Special Revenue Funds		
		Other Grants	Aliso Viejo Center	Federal Grants
Assets:				
Cash and investments	$ 29,720,150	$ -	$ 2,114,668	$ 2,759,187
Receivables:				
Accounts	1,044,013	-	7,706	-
Accrued interest	22,879	-	-	-
Leases	214,621	-	-	-
Due from other governments	1,384,534	358,114	-	168,180
Inventory	-	-	9,032	-
Prepaid costs	81,267	-	1,200	-
Due from other funds	322,651	-	-	-
Total Assets	**$ 32,790,115**	**$ 358,114**	**$ 2,132,606**	**$ 2,927,367**
Liabilities, Deferred Inflows of Resources and Fund Balances:				
Liabilities:				
Accounts payable	$ 844,529	$ -	$ 864,802	$ 159,373
Accrued liabilities	225,399	-	-	-
Deposits payable	910,582	-	1,255,304	-
Due to other funds	-	314,029	-	-
Retentions payable	-	-	12,500	-
Unearned revenue	-	-	-	2,839,053
Total Liabilities	**1,980,510**	**314,029**	**2,132,606**	**2,998,426**
Deferred Inflows of Resources:				
Leases	221,303	-	-	-
Unavailable revenue - grants	8,134	358,114	-	14,658
Total Deferred Inflows of Resources	**229,437**	**358,114**	**-**	**14,658**
Fund Balances:				
Non-Spendable:				
Prepaid costs and inventory	81,267	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Capital projects	-	-	-	-
Public safety	-	-	-	-
Assigned to:				
Contingencies	3,500,571	-	-	-
Self Insurance/benefit obligations	600,000	-	-	-
Asset replacement	11,882,444	-	-	-
Emergencies and unanticipated traffic projects	10,000,000	-	-	-
Unassigned	4,515,886	(314,029)	-	(85,717)
Total Fund Balances (Deficit)	**30,580,168**	**(314,029)**	**-**	**(85,717)**
Total Liabilities, Deferred Inflows of Resources and Fund Balances	**$ 32,790,115**	**$ 358,114**	**$ 2,132,606**	**$ 2,927,367**

See accompanying notes to the financial statements.

CITY OF ALISO VIEJO

BALANCE SHEET
GOVERNMENTAL FUNDS, (continued)
JUNE 30, 2022

	Other Governmental Funds	Total Governmental Funds
Assets:		
Cash and investments	$ 6,081,422	$ 40,675,427
Receivables:		
Accounts	35,215	1,086,934
Accrued interest	-	22,879
Leases	-	214,621
Due from other governments	455,191	2,366,019
Inventory	-	9,032
Prepaid costs	2,550	85,017
Due from other funds	-	322,651
Total Assets	**$ 6,574,378**	**$ 44,782,580**
Liabilities, Deferred Inflows of Resources and Fund Balances:		
Liabilities:		
Accounts payable	$ 598,843	$ 2,467,547
Accrued liabilities	57,596	282,995
Deposits payable	-	2,165,886
Due to other funds	8,622	322,651
Retentions payable	55,424	67,924
Unearned revenue	-	2,839,053
Total Liabilities	**720,485**	**8,146,056**
Deferred Inflows of Resources:		
Leases	-	221,303
Unavailable revenue - grants	16,383	397,289
Total Deferred Inflows of Resources	**16,383**	**618,592**
Fund Balances:		
Non-Spendable:		
Prepaid costs and inventory	-	81,267
Restricted for:		
Community development projects	1,721,020	1,721,020
Capital projects	3,990,740	3,990,740
Public safety	129,019	129,019
Assigned to:		
Contingencies	-	3,500,571
Self Insurance/benefit obligations	-	600,000
Asset replacement	-	11,882,444
Emergencies and unanticipated traffic projects	-	10,000,000
Unassigned	(3,269)	4,112,871
Total Fund Balances (Deficit)	**5,837,510**	**36,017,932**
Total Liabilities, Deferred Inflows of Resources and Fund Balances	**$ 6,574,378**	**$ 44,782,580**

See accompanying notes to the financial statements.

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CITY OF ALISO VIEJO

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION JUNE 30, 2022

Fund Balances of Governmental Funds	**$**	**36,017,932**
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds:		
Capital assets		138,163,184
Accumulated depreciation		(25,058,354)
Intangible assets		23,131
Accumulated amortization		(8,269)
Deferred inflows and outflows of resources related to pension and OPEB have not been reported in the governmental funds:		
Deferred outflows - Pension related items		550,755
Deferred outflows - OPEB related items		68,056
Deferred inflows - Pension related		(72,529)
Deferred inflows - OPEB related		(426,341)
Compensated absences that have not been included in the governmental fund activity.		(244,983)
Governmental funds report all pension contributions as expenditures, however, in the Statement of Net Position, the excess of the plan's proportionate share of the total pension liability over the proportionate share of the plan's fiduciary net position is reported as a net pension liability.		(47,870)
Governmental funds report all OPEB contributions as expenditures, however, in the Statement of Net Position, any excesses of the OPEB plan's total pension liability over the OPEB plan's fiduciary net position is reported as a net OPEB liability.		(544,976)
Revenues reported as unavailable revenue in the governmental funds are recognized in the Statement of Activities. These are classified as intergovernmental revenues in the Government-Wide Financial Statements.		397,289
Long-term liabilities are not due and payable in the current period:		
Bonds payable		(11,785,000)
Unamortized premium		(903,526)
Lease liability		(14,506)
Net Position of Governmental Activities	**$**	**136,113,993**

See accompanying notes to the financial statements.

CITY OF ALISO VIEJO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2022

		Special Revenue Funds		
	General Fund	Other Grants	Aliso Viejo Center	Federal Grants
Revenues:				
Taxes	$ 18,420,699	$ -	$ -	$ -
Licenses and permits	714,168	-	-	-
Intergovernmental	64,675	72,873	-	3,033,181
Charges for services	380,965	-	2,213,056	-
Use of money and property	1,150,007	-	-	(127,074)
Fines and forfeitures	173,133	-	-	-
Contributions	-	-	-	-
Other	20,730	-	473,677	-
Total revenues	**20,924,377**	**72,873**	**2,686,733**	**2,906,107**
Expenditures:				
Current:				
General government:				
City council	184,469	-	-	-
City manager	686,092	-	-	-
Human resources	161,248	-	-	-
City clerk	424,599	-	-	-
City attorney	622,995	-	-	-
Finance	667,581	-	-	-
Information technology	864,958	-	-	-
General government	662,893	-	-	163,991
Community development:				
Community services	2,324,010	-	2,207,490	-
Planning	905,654	-	-	-
Building	565,536	-	-	-
Economic development	481,443	-	-	-
Public works	1,841,106	-	-	-
Public safety	9,340,524	-	-	-
Debt service:				
Principal payment	8,625	-	-	-
Interest and fiscal charges	137	-	-	-
Capital outlay	23,131	-	-	-
Total expenditures	**19,765,001**	**-**	**2,207,490**	**163,991**
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,159,376	72,873	479,243	2,742,116
Other Financing Sources (Uses):				
Transfers in	3,348,755	-	-	-
Transfers out	(1,082,257)	(348,569)	(479,243)	(2,843,242)
Lease acquisiiton	23,131	-	-	-
Total other financing sources (uses)	**2,289,629**	**(348,569)**	**(479,243)**	**(2,843,242)**
Net change in fund balances	3,449,005	(275,696)	-	(101,126)
Fund balances (deficit), beginning of year	27,131,163	(38,333)	-	15,409
Fund balances (deficit), end of year	**$ 30,580,168**	**$ (314,029)**	**$ -**	**$ (85,717)**

See accompanying notes to the financial statements.

CITY OF ALISO VIEJO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS, (continued) FOR THE YEAR ENDED JUNE 30, 2022

	Other Governmental Funds	Total Governmental Funds
Revenues:		
Taxes	$ -	$ 18,420,699
Licenses and permits	-	714,168
Intergovernmental	3,503,349	6,674,078
Charges for services	1,042,244	3,636,265
Use of money and property	(155,094)	867,839
Fines and forfeitures	-	173,133
Contributions	50	50
Other	-	494,407
Total revenues	**4,390,549**	**30,980,639**
Expenditures:		
Current:		
General government:		
City council	-	184,469
City manager	-	686,092
Human resources	-	161,248
City clerk	-	424,599
City attorney	-	622,995
Finance	-	667,581
Information technology	-	864,958
General government	24,831	851,715
Community development:		
Community services	1,170,133	5,701,633
Planning	-	905,654
Building	-	565,536
Economic development	-	481,443
Public works	3,147,162	4,988,268
Public safety	164,879	9,505,403
Debt service:		
Principal payment	235,000	243,625
Interest and fiscal charges	422,705	422,842
Capital outlay	-	23,131
Total expenditures	**5,164,710**	**27,301,192**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(774,161)	3,679,447
Other Financing Sources (Uses):		
Transfers in	2,887,215	6,235,970
Transfers out	(1,482,659)	(6,235,970)
Lease acquisition	-	23,131
Total other financing sources (uses)	**1,404,556**	**23,131**
Net change in fund balances	630,395	3,702,578
Fund balances (deficit), beginning of year	5,207,115	32,315,354
Fund balances (deficit), end of year	**$ 5,837,510**	**$ 36,017,932**

See accompanying notes to the financial statements.

CITY OF ALISO VIEJO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2022

Net Change in Fund Balances - Total Governmental Funds	**$**	**3,702,578**
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Government-Wide Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense.		
Capital outlay and deletions		299,347
Depreciation and amortization		(1,301,735)
Capital projects expensed		120,983
Compensated absences expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.		57,134
Pension obligation expenses, net of pension deferred related amounts, reported in the Statement of Activities do not require current financial resources and therefore, are not reported as expenditures in governmental funds.		930,336
OPEB obligation expenses, net of OPEB deferred related amounts, reported in the Statement of Activities do not require current financial resources and therefore, are not reported as expenditures in governmental funds.		(21,680)
Revenues reported as unavailable revenue in the governmental funds are recognized in the Statement of Activities. These are classified as program revenues in the Government-Wide Financial Statements.		217,318
The issuance of long-term debt provides current financial resources in the governmental funds, but issuance of debt increases the long-term liabilities in the Statement of Net Position, while the repayment of long-term liabilities consumes the current financial resources of governmental funds.		
Bonds payable		235,000
Unamortized premium		32,269
Leases		8,625
Change in Net Position of Governmental Activities	**$**	**4,280,175**

See accompanying notes to the financial statements.

CITY OF ALISO VIEJO

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022

	Custodial Funds
Assets:	
Cash and investments	$ 44,257
Restricted cash and investments	4,375,616
Interest receivable	1,436
Due from other governments	39,349
Total assets	4,460,658
Liabilities:	
Accounts payable	39,870
Deposits payable	7,841
Total liabilities	47,711
Net position:	
Restricted for organizations and other governments	4,412,947
Total net position	$ 4,412,947

See accompanying notes to the financial statements.

CITY OF ALISO VIEJO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Custodial Funds
Additions:	
Assessments	$ 2,164,165
Events and rentals	387,552
Interest income	(145,985)
Total additions	2,405,732
Deductions:	
Administrative expenses	387,552
Payments to bondholders:	
Principal	710,000
Interest	1,422,318
Total deductions	2,519,870
Net increase (decrease) in fiduciary net position	(114,138)
Net position, beginning of year	4,527,085
Net position, end of year	$ 4,412,947

See accompanying notes to the financial statements.

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Note 1: Summary of Significant Accounting Policies

The accounting policies of the City of Aliso Viejo conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

a. Reporting Entity

The City of Aliso Viejo (the City) was incorporated July 1, 2001, under the general laws of the State of California. The City operates under the Council-Manager form of government.

The City provides the following services as authorized by its general laws: public safety, public works, community development and general administrative services.

Generally accepted accounting principles require that these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. As of the end of the reporting period the City had one component unit as defined by the GASB.

Aliso Viejo Public Facilities Corporation

The Aliso Viejo Public Facilities Corporation (Corporation) was created on July 19, 2006, for the purpose of providing for the financing of the acquisition and improvement of a building to be used as City Hall through the issuance of Certificates of Participation (COP) by the Corporation and the lease-back of the building from the Corporation to the City. Members of the City Council and management of the City act as the Corporation's governing board and exerts significant influence over its operations. Separate financial statements are not prepared for this Corporation, however, the Corporation is active as of August 2019 due to the issuance of the 2019 COPs.

b. Measurement Focus, Basis of Accounting, and Basis of Presentation

The basic financial statements of the City are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Note 1: Summary of Significant Accounting Policies (Continued)

b. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Government-Wide Financial Statements: Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include a single column for the governmental activities of the primary government. The City of Aliso Viejo has no business-type activities. Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, general government expenses have not been allocated as indirect expenses to the various functions of the City.

Government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Program revenues include charges for services, special assessments, and program payments. Program revenues are netted with program expenses in the Statement of Activities, to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

Fund Financial Statements: The underlying accounting system of the City is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and other funds in the aggregate for governmental funds. Fiduciary statements include financial information for fiduciary funds. Fiduciary funds of the City primarily represent assets held by the City in a custodial capacity for other individuals or organizations.

Note 1: Summary of Significant Accounting Policies (Continued)

b. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Governmental Funds: In the fund financial statements, governmental funds are presented using the modified-accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Measurable means that the amounts can be estimated, or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City uses an availability period of 60 days.

Sales taxes, property taxes, franchise taxes, gas taxes, motor vehicle license fee, transient occupancy taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period to the extent normally collected within the availability period. Other revenue items are considered to be measurable and available where cash is received by the government.

Revenue recognition is subject to the measurable and availability criteria for the governmental funds in the fund financial statements. Exchange transactions are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). Locally imposed derived tax revenues are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. Imposed non-exchange transactions are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. Government-mandated and voluntary non-exchange transactions are recognized as revenues when all applicable eligibility requirements have been met. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 which requires that local governments defer grant revenue that is not received within 60 days after the fiscal year ends to meet the “available” criteria of revenue recognition.

In the fund financial statements, governmental funds are presented using the current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered “available spendable resources,” since they do not represent net current assets.

Note 1: Summary of Significant Accounting Policies (Continued)

b. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Recognition of governmental fund type revenue represented by non-current receivables are deferred until they become current receivables. Non-current portions of other long-term receivables are classified as non spendable fund balance.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as another financing source rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

When both, restricted and unrestricted resources, are combined in a fund, expenses are considered to be paid first from restricted resources, and then from unrestricted resources.

c. Fund Classifications

The City reports the following major governmental funds:

General Fund: The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Other Grants Special Revenue Fund: This fund is used to account for state, local, and other grants received such as Prop 10, CalRecycle, and the urban Runoff Grant. The fund does not qualify to be presented as major, however the client has elected to present it as such for FY 2022

Aliso Viejo Center Special Revenue Fund: This fund is used to account for the operations of the Aliso Viejo Center. The Aliso Viejo Center is a City owned facility that serves as an ideal venue to accommodate an array of functions, such as banquets, wedding celebrations, conferences and corporate events. Revenues are generated from events held at the facility.

Federal Grants Special Revenue Fund: This fund is used to account for Federal Grants received by the City for various projects. Grants included are FTA Grants, T.A.R.P Funds, Federal Community Development Block Grants, and Energy Efficiency and Conservation Block Grants.

Additionally, the government reports the following fund types:

Special Revenue Funds: These funds are used to account for revenues which are legally restricted to expenditures for special purposes.

Note 1: Summary of Significant Accounting Policies (Continued)

c. Fund Classifications (Continued)

Capital Projects Funds: These funds are used to account for the financial resources used for the acquisition of capital assets and are funded by the General Fund, Gas Tax Fund, Measure M Fund, and the Federal Grants Fund.

Custodial Funds: These funds are used to account for special assessments received for which the City acts as an agent for all Community Facilities District debt activity.

d. Cash and Investments

Investments are reported in the accompanying statement of net position at fair value. Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings and changes in fair value. The City pools cash and investments of all funds. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments. Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance, except for investment income associated with funds not legally required to receive pooled investment income which has been assigned to and recorded as revenue of the General Fund, as provided by California Government Code Section 53647.

e. Prepaids

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both, the government-wide and fund financial statements. Prepaid items are reported in the governmental funds under the consumption method and are offset by a reservation of fund balance to indicate that they are not spendable for appropriation and are not expendable financial resources.

f. Capital Assets

Capital assets (including infrastructure) are recorded at cost where historical records are available and at an estimated original cost where no historical records exist. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. Generally, capital asset purchases in excess of $5,000 are capitalized if they have an expected useful life of three years or more.

Capital assets include public domain (infrastructure) general capital assets consisting of certain improvements including roads, streets, sidewalks, medians, and storm drains. The City has elected to include infrastructure capital assets in their entirety (e.g., prior to 1980) in compliance with requirements of GASB Statement No. 34.

Note 1: Summary of Significant Accounting Policies (Continued)

f. Capital Assets (Continued)

Capital assets used in operations are depreciated over their estimated useful lives, except for streets, of which the City reports based on using the modified approach. The City uses the straight-line method in the government-wide financial statements for depreciating storm drains, park equipment, buildings, equipment and furniture, and leasehold improvements. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the respective statement of net position. The range of lives used for depreciation purposes for each capital asset class are as follows:

Items	Useful Life
Buildings	100 years
Improvements	3-50 years
Equipment and furniture	5 years
Infrastructure:	
Sidewalks	20-50 years
Curb and gutters	20-50 years
Medians	20-50 years
Traffic signals	15 years
Street signs	15 years
Storm drains	20-50 years
Park equipment	10-50 years

The City of Aliso Viejo met all the criteria required by GASB Statement No. 34 to report their streets and roads network using the modified approach, which allows those infrastructure assets to be non-depreciable. Hence, all expenditures made for the streets and roads asset network (except for additions and improvements) are expensed in the period incurred. Additions or improvements to the streets and roads network assets that increase the capacity or efficiency of those assets (rather than preserve the useful life) are capitalized. The City elected to set their minimum acceptable level of condition at 80 for all streets and roads network systems based on their pavement management system scale of 1 to 100. The City plans to test/assess the condition level at least every three years. See the accompanying Required Supplementary Information section for additional information.

g. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has deferred outflows of resources related to pension and OPEB items.

Note 1: Summary of Significant Accounting Policies (Continued)

g. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City of Aliso Viejo has three types of items. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from various sources such as, grant revenue, taxes, and other special revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second item is deferred pension and OPEB related items. The third item is deferred inflows related to leases.

h. Net Pension Liabilities

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Plan, and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date (VD) June 30, 2020
Measurement Date (MD) June 30, 2021
Measurement Period (MP) July 1, 2020 to June 30, 2021

i. Compensated Absences

In accordance with generally accepted accounting principles, an employee benefits payable liability is recorded for unused vacation and similar compensatory leave balances. The employee's entitlements to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

Note 1: Summary of Significant Accounting Policies (Continued)

j. Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas. Accordingly, the City recognizes as revenue only those taxes which are received within 60 days after year end.

The property tax calendar is as follows:

Lien Date:	January 1
Levy Date:	July 1
Due Date:	First Installment - November 1
	Second Installment - February 1
Delinquent Date:	First Installment - December 10
	Second Installment - April 10

k. Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

l. Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both, restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

m. Fund Balance Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both, restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Note 1: Summary of Significant Accounting Policies (Continued)

n. Fund Equity and Net Position

In the fund financial statements, government funds report the following fund balance classification:

Nonspendable include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted include amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws of regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

Committed include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority, City Council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution.

Assigned include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The City Manager and/or Financial Services Director is authorized to assign amounts to a specific purpose, which was established by the governing through a resolution.

Unassigned include the residual amounts that have not been restricted, committed, or assigned to specific purposes.

An individual governmental fund could include nonspendable resources and amounts that are restricted or unrestricted (committed, assigned, or unassigned) or any combination of those classifications. Restricted or unrestricted amounts are to be considered spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and committed, assigned, then unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

In the government-wide financial statements and fiduciary fund financial statements, net position is reported in three categories: net investment in capital assets, restricted net position and unrestricted. The restricted portion of net position represents net position restricted by parties outside of the City (such as creditors, grantors, contributors, and laws and regulations of over governments) and includes unspent proceeds of bonds issued to acquire or construct capital assets. The City's other restricted net position is temporarily restricted (ultimately expendable assets). All other net position is considered unrestricted.

Note 1: Summary of Significant Accounting Policies (Continued)

o. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan), and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date (VD) June 30, 2021
Measurement Date (MD) June 30, 2021
Measurement Period (MP) July 1, 2020 to June 30, 2021

p. Implementation of New GASB Pronouncement

Governmental Accounting Standards Board has issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

II. DETAILED NOTES ON ALL FUNDS

Note 2: Cash and Investments

Cash and investments as of June 30, 2022, are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	$ 40,675,427
Statement of Fiduciary Net Position:	
Cash and investments	44,257
Cash and investments held by fiscal agent	4,375,616
Total cash and investments	$ 45,095,300

Cash and investments as of June 30, 2022 consists of the following:

Deposits with financial institutions	$ 10,361,118
Cash on hand	2,797
Investments	34,731,385
Total cash and investments	$ 45,095,300

Investments Authorized by the California Government Code and the City's Investment Policy

The following table identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy. The City Treasurer may waive the collateral requirement for deposits that are fully insured up to $250,000 by the FDIC.

Note 2: Cash and Investments (Continued)

Investment Types Authorized by State Law	Authorized by Investment Policy	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer*
U.S. Treasury Obligations	Yes	5 years	100%	None
U.S. Agency Securities	Yes	5 years	60%	35% per Agency
Banker's Acceptances	Yes	180 days	20%	5% per issuer
Commercial Paper	Yes	270 days	20%	5%
Certificates of Deposit	Yes	5 years	30%	$ 250,000
Negotiable Certificates of Deposit	Yes	5 years	30%	20%
Repurchase Agreements	Yes	92 days	20%	2,000,000
Medium-Term Notes	Yes	5 years	30%	1,000,000
Money Market Mutual Funds	Yes	None	10%	1,000,000
Local Agency Investment Fund	Yes	None	100%	75,000,000

* Based on state law requirements or investment policy requirements, whichever is more restrictive.

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Investment Types Authority by State Law	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer*
U.S. Treasury Obligations	5 years	75%	None
U.S. Agency Securities	5 years	60%	35%
Banker's Acceptances	180 days	20%	$ 3,000,000
Commercial Paper	270 days	20%	None
Money Market Funds	N/A	10%	None
Investment Agreements	None	None	None
Defeasance Obligations	None	None	None
Municipal Obligations	None	None	None
Local Agency Investment Fund	None	None	$ 75,000,000

Note 2: Cash and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

		Remaining Maturity		
Investment Type	Fair Value	12 Months or Less	13 to 24 Months	25 to 60 Months
State Investment Pool	$ 8,637,414	$ 8,637,414	$ -	$ -
Negotiable Certificates of Deposit	4,933,096	979,669	1,422,991	2,530,436
Federal Home Loan Mtg Corp	456,959	-	-	456,959
Federal Home Loan Bank	4,968,040	3,482,155	493,642	992,243
Federal Farm Credit Bank	1,686,754	495,960	963,856	226,938
U.S. Treasury obligations	7,732,695	4,453,944	491,016	2,787,735
Medium Term Notes	1,941,884	-	495,176	1,446,708
Held By Fiscal Agent:				
U.S. Treasury money market	2,859,666	1,541,953	439,386	878,327
Federal Home Loan Bank	1,514,877	-	-	1,514,877
Total	$ 34,731,385	$ 19,591,095	$ 4,306,067	$10,834,223

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented on the next page is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements and the actual rating as of year-end for each investment type:

Note 2: Cash and Investments (Continued)

Investment Type	Total	Minimum Legal Rating	Ratings as of Year End Aaa	Aa1	Not Rated
State Investment Pool	$ 8,637,414	N/A	$ -	$ -	$ 8,637,414
Negotiable Certificates of Deposit	4,933,096	N/A	-	-	4,933,096
Federal Home Loan Mtg Corp	456,959	Aaa	456,959	-	-
Federal Home Loan Bank	4,968,040	Aaa	4,968,040	-	-
Federal Farm Credit Bank	1,686,754	Aaa	1,686,754	-	-
U.S. Treasury obligations	7,732,695	Aaa	7,732,695	-	-
Medium Term Notes	1,941,884	Aaa	1,941,884	-	-
Held By Fiscal Agent:					
U.S. Treasury money market	2,859,666	Aaa	2,859,666	-	-
Federal Home Loan Bank	1,514,877	Aaa	1,514,877	-	-
Total	$ 34,731,385		$21,160,875	$ -	$ 13,570,510

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (other than U.S. Treasury securities, mutual funds and external investment pools) that represent 5% or more of the total City's investments are as follows:

Issuer	Investment Type	Reported amount	Percentage of portfolio
Federal Home Loan Bank	Federal Agency Securities	$ 6,482,917	18.7%

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Note 2: Cash and Investments (Continued)

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at an amount based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Currently, LAIF does not have an investment rating.

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2022:

		Fair Value Measurement Using		
	Total	Level 1	Level 2	Level 3
Negotiable Certificates of Deposit	$ 4,933,096	$ -	$ 4,933,096	$ -
Federal Home Loan Mtg Corp	456,959	-	456,959	-
Federal Home Loan Bank	4,968,040	-	4,968,040	-
Federal Farm Credit Bank	1,686,754	-	1,686,754	-
U.S. Treasury obligations	7,732,695	7,732,695	-	-
Medium Term Notes	1,941,884	-	1,941,884	-
Held By Fiscal Agent:				
U.S. Treasury money market	2,859,666	2,859,666	-	-
Federal Home Loan Bank	1,514,877	-	1,514,877	-
Total investments by fair value level	26,093,971	$ 10,592,361	$15,501,610	$ -
Investments not subject to fair value:				
State Investment Pool	8,637,414			
Total	$ 34,731,385			

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used:

Level 1: inputs are unadjusted quoted prices in active markets for identical assets; level 2: quoted prices for similar assets or liabilities in active markets; level 3: inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Note 3: Lease Receivable

City Hall Space - Suite 255

On July 1, 2021, the City entered into a 31-month lease as Lessor for the use of City Hall Space - Suite 255. An initial lease receivable was recorded in the amount of $186,106. As of June 30, 2022, the value of the lease receivable is $115,478. The lessee is required to make monthly fixed payments of $5,920. The lease has an interest rate of 0.7270%. The building's estimated useful life was 30 months as of the contract commencement. The value of the deferred inflow of resources as of June 30, 2022 was $119,868, and the City recognized lease revenue of $72,041 during the fiscal year.

City Hall Space - Suite 280

On August 1, 2021, the City entered into a 23-month lease as Lessor for the use of City Hall Space - Suite 280. An initial lease receivable was recorded in the amount of $179,923. As of June 30, 2022, the value of the lease receivable is $99,144. The lessee is required to make monthly fixed payments of $8,134. The lease has an interest rate of 0.4660%. The building's estimated useful life was 22 months as of the contract commencement. The value of the deferred inflow of resources as of June 30, 2022 was $101,435, and the City recognized lease revenue of $86,050 during the fiscal year.

At June 30, 2022, the City had total outstanding lease receivables of $214,621 and related deferred inflows of resources of $221,303.

Note 4: Interfund Receivables, Payables and Transfers

Due To/From Other Funds

Interfund receivables and payables as of June 30, 2022, consisted of the following:

	Due To Other Funds		
Due From Other Funds	Other Grants	Other Governmental Funds	Total
General Fund	$ 314,029	$ 8,622	$ 322,651
	$ 314,029	$ 8,622	$ 322,651

The amount due from the General Fund to other governmental funds was to cover negative cash and are expected to be repaid within one year.

Note 4: Interfund Receivables, Payables and Transfers (Continued)

Interfund Transfers

Interfund transfers for the year ended June 30, 2022, consisted of the following:

	Transfers Out					
Transfers In	General Fund	Other Grants	Aliso Viejo Center	Federal Grants	Other Governmental Funds	Total
General Fund	$ -	$ 53,818	$ 479,243	$ 2,815,694	$ -	$ 3,348,755
Other Governmental Funds	1,082,257	294,751	-	27,548	1,482,659	2,887,215
Total	$ 1,082,257	$ 348,569	$ 479,243	$ 2,843,242	$ 1,482,659	$ 6,235,970

Transfers into the General Fund included funds from ARPA, LEAP grant, CDBG and SMP admin hours reimbursement as well as Aliso Viejo Center net income. Transfers into Public Safety Grants fund included reimbursements for expenditures in compliance with ARPA. Transfers into Aquatic Center included funds to cover operational gap for the facility. Transfers into Street Improvement included slurry seal, signal improvement, and rehabilitation projects. Transfers into Capital Improvements included improvement projects at various City facilities and permit tracking Energov system. Transfers into Storm Water fund included monitoring costs for the Wetland and Dairy Fork storm water projects. Transfer into Debt Service included principal and interest payments for the 2019 COP. Transfers out of the General Fund included funding the operational gap for Aquatic Center, AV Ranch improvements, Aquatic Center improvements, permit tracking Energov software system, monitoring costs for the Wetland and Dairy Fork storm water projects, and principal and interest payments for the City's 2019 COP. Transfer out of the TCRF, Gas Tax, Measure M, and SB1 funds included street improvement projects. Transfers out of Other Grants included CalRecyle reimbursement for a street project, SB2 reimbursement for permit tracking Energov software system, and Per Capita Grant reimbursements for AV Ranch video surveillance system as well as audio and video equipment. Transfers out of the Federal Grants included reimbursing General Fund for expenditures in compliance with ARPA and CDBG monies for administrative staff hours. Transfers out of the Aliso Viejo Center to General Fund included net income from the Center's operations.

Note 5: Capital & Intangible Assets

Capital asset activity for the year ended June 30, 2022, was as follows:

	Balance July 1, 2021	Additions	Deletions*	Balance June 30, 2022
Capital assets, not being depreciated:				
Land	$ 14,315,978	$ -	$ -	$ 14,315,978
Infrastructure - streets	53,871,430	-	-	53,871,430
Construction in progress*	217,205	420,330	(420,330)	217,205
Total capital assets, not being depreciated	68,404,613	420,330	(420,330)	68,404,613
Capital assets, being depreciated:				
Buildings	41,164,809	-	-	41,164,809
Improvements	722,675	274,347	-	997,022
Equipment	1,040,049	120,983	-	1,161,032
Furniture	274,034	25,000	-	299,034
Infrastructure - other*	26,136,674	-	-	26,136,674
Total capital assets, being depreciated	69,338,241	420,330	-	69,758,571
Accumulated Depreciation:				
Buildings	(4,262,932)	(550,674)	-	(4,813,606)
Improvements	(252,751)	(77,574)	-	(330,325)
Equipment	(667,234)	(134,999)	-	(802,233)
Furniture	(84,409)	(50,884)	-	(135,293)
Infrastructure - other	(18,497,562)	(479,335)	-	(18,976,897)
Total accumulated depreciation	(23,764,888)	(1,293,466)	-	(25,058,354)
Total capital assets, being depreciated, net	45,573,353	(873,136)	-	44,700,217
Capital assets, net	$ 113,977,966	$ (452,806)	$ (420,330)	$ 113,104,830

*Other infrastructure consisted of sidewalks, curbs and gutters, medians, traffic signals, street signs, storm drains, and park equipment. Construction in progress consists primarily of additions to infrastructure and buildings. Certain deletions in the capital assets activity schedule shown above are the result of reclassifications of assets into different classes of assets or reclassification to expenses when a project is determined not to meet the capitalization requirement. If assets that are disposed of are not fully depreciated at the time of the disposal, these deletions in the asset classes may not be accompanied by a like decrease in the accumulated depreciation for the same asset class.

Depreciation expense by function for the fiscal year ending June 30, 2022 is as follows:

General government	$ 704,331
Community development	4,344
Public safety	96,485
Public works	484,884
Community services	3,422
Total	$ 1,293,466

Note 5: Capital & Intangible Assets (Continued)

A summary of changes in intangible assets of the City for the year ending June 30, 2022 is as follows:

	Balance July 1, 2021	Additions*	Deletions	Balance June 30, 2022
Intangible assets, being amortized:				
Intangible right to use asset	$ -	$ 23,131	$ -	$ 23,131
Accumulated amortization	-	(8,269)	-	(8,269)
Intangible assets, net of amortization:	$ -	$ 14,862	$ -	$ 14,862

*Additions resulted from the implementation of GASB Statement No. 87, Leases.

Note 6: Non-current Liabilities

Compensated Absences

The City's policies relating to employee leave benefits are described in Note 1.i. This liability will be paid in future years from future resources primarily from the General Fund.

Changes in compensated absences for the fiscal year ended June 30, 2022, were as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Amount Due Within One Year
Compensated absences	$ 302,117	$ 154,348	$ 211,482	$ 244,983	$ 68,038

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Note 6: Non-current Liabilities (Continued)

Changes in non-current liabilities for the fiscal year ended June 30, 2022, were as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Amount Due Within One Year
Bonds payable	$ 12,020,000	$ -	$ 235,000	$ 11,785,000	$ 240,000
Unamortized premium	935,795	-	32,269	903,526	-
Lease liability	-	23,131	8,625	14,506	8,682
Total	$ 12,955,795	$ 23,131	$ 275,894	$ 12,703,032	$ 248,682

Bonds Payable – Direct Placement

On July 31, 2019, the City issued the 2019 Certificates of Participation (COP) in the amount of $12,250,000 in order to finance a portion of the construction of improvements to the Aliso Viejo Ranch and pay delivery costs incurred in connection with the execution, delivery and sale of the Certificates. The 2019 COP mature annually on November 1 through 2039 and bear interest ranging from 2.0% to 4.0%. In the event of default, the City waives all rights to any rentals received by the trustee through re-letting of the lease agreement. The City agrees to pay any and all costs, loss, or damage, howsoever occurring, as a result of any re-entry or re-letting.

The annual debt service requirements for the 2019 COPs outstanding at June 30, 2022 are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	$ 240,000	$ 415,350	$ 655,350
2024	250,000	405,750	655,750
2025	260,000	395,750	655,750
2026	270,000	385,350	655,350
2027	280,000	374,550	654,550
2028 - 2032	1,595,000	1,694,150	3,289,150
2033 - 2037	1,930,000	1,349,750	3,279,750
2038 - 2042	2,350,000	935,850	3,285,850
2043 - 2047	2,755,000	531,000	3,286,000
2048 - 2050	1,855,000	112,350	1,967,350
Total	$ 11,785,000	$ 6,599,850	$ 18,384,850

Note 6: Non-current Liabilities (Continued)

Lease Liability

On July 1, 2021, the City entered into a 32-month lease as Lessee for the use of Ricoh - Copiers. An initial lease liability was recorded in the amount of $23,131. As of June 30, 2022, the value of the lease liability is $14,506. The City is required to make monthly fixed payments of $730. The lease has an interest rate of 0.7270%. The Equipment estimated useful life was 32 months as of the contract commencement. The value of the right to use asset as of June 30, 2022 of $23,131 with accumulated amortization of $8,269 is included with intangible assets, detailed in Note 5.

Estimated future debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	$ 8,682	$ 77	$ 8,759
2024	5,824	16	5,840
Total	$ 14,506	$ 93	$ 14,599

Note 7: Debt Without Government Commitment Community Facilities District No. 2005-01

In November 2007, the City issued $34,070,000 in Special Tax Bonds for Community Facilities District No. 2005-01 (Glenwood at Aliso Viejo). The bonds were issued to finance the acquisition and improvement of various public facilities within Community Facilities District 2005-01 (Glenwood at Aliso Viejo). The City later refinanced the 2007 Special Tax Bonds with the issuance of the 2014 Special Tax Bonds.

On September 1, 2014, the City issued $32,270,000 in Special Tax Bonds for Community Facilities District No. 2005-01 (Glenwood at Aliso Viejo). Interest payments commenced on September 1, 2014, and are paid semiannually thereafter on September 1 and March 1 of each year. Principal payments commence on September 1, 2014, and are paid annually in amounts ranging from $295,000 to $2,850,000 until September 1, 2038. The bonds were issued to refinance the outstanding 2007 Special Tax Bonds and cause the early redemption thereof on March 1, 2014. The principal balance outstanding at June 30, 2022 is $28,240,000.

Note 8: Pension Plan

A. General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City participates in two rate plans (both miscellaneous). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at www.calpers.ca.gov.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

The Plan's provisions and benefits in effect at June 30, 2022 are summarized as follows:

	Miscellaneous	PEPRA Miscellaneous
Hire Date	And prior to January 1, 2013*	On or after January 1, 2013
Benefit formula	2.7% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % eligible compensation	2.0% to 2.7%	1.0% - 2.5%
Required employer contribution rates	10.34%	7.59%

Note 8: Pension Plan (Continued)

A. General Information about the Pension Plan (Continued)

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS's annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer Contributions to the Plan for the fiscal year ended June 30, 2022 were $318,599. The actual employer payments of $319,112 made to CalPERS by the City during the measurement period ended June 30, 2021, differed from the City's proportionate share of the employer's contributions of $325,719 by $6,607, which is being amortized over the expected average remaining service lifetime in the Public Agency Cost-Sharing Multiple Employer Plan.

B. Net Pension Liability

The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

All other actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS's website at www.calpers.ca.gov.

Note 8: Pension Plan (Continued)

B. Net Pension Liability (Continued)

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB 68
Asset Valuation Method	Market Value of Assets
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by entry age and service
Mortality Rate Table (1)	Derived using CalPERS' membership data for all Funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.50% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.50% thereafter.

(1) The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website..

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

Note 8: Pension Plan (Continued)

B. Net Pension Liability (Continued)

The expected real rates of return by asset class are as follows:

Asset Class[1]	Assumed Asset Allocation	Real Return Years 1 - 10[2]	Real Return Years 11+ [3]
Public equity	50%	4.80%	5.98%
Fixed income	28%	1.00%	2.62%
Inflation assets	-	0.77%	1.81%
Private equity	8%	6.30%	7.23%
Real assets	13%	3.75%	4.93%
Liquidity	1%	-	-0.92%

[1] In the System's ACFR, fixed income is included in global debt securities; liquidity is included in short-term investments; inflation assets are included in both global equity securities and global debt securities.

[2] An expected inflation of 2.0% used for this period

[3] An expected inflation of 2.92% used for this period

Change of Assumptions

There were no change of assumptions for measurement date June 30, 2021.

Discount Rate

The discount rate used to measure the total pension liability for PERF C was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Subsequent Events

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

Note 8: Pension Plan (Continued)

B. Net Pension Liability (Continued)

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

Pension Plan Fiduciary Net Position

Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS's audited financial statements, which are publicly available reports that can be obtained at CalPERS's website at www.calpers.ca.gov. The plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

C. Proportionate Share of Net Pension Liability

The following table shows the Plan's proportionate share of the net pension liability over the measurement period.

	Plan Total Pension Liability	Plan Fiduciary Net Position	Plan Net Pension Liability
Balance at 6/30/2020 (VD)	$ 7,475,465	$ 6,439,634	$ 1,035,831
Balance at 6/30/2021 (MD)	8,329,229	8,281,359	47,870
Net changes during 2020 - 2021	$ 853,764	$ 1,841,725	$ (987,961)

Valuation Date (VD), Measurement Date (MD)

The City's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at www.calpers.ca.gov. The City's proportionate share of the net pension liability for the miscellaneous Plan as of the June 30, 2020 and 2021 measurement dates was as follows:

Note 8: Pension Plan (Continued)

C. Proportionate Share of Net Pension Liability (Continued)

Proportionate Share - June 30, 2020	0.02456%
Proportionate Share - June 30, 2021	0.00252%
Change - Increase (Decrease)	-0.02204%

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Plan's Net Pension Liability / (Asset)	$ 1,147,585	$ 47,870	$ (861,249)

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings	5 year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the Public Agency Cost-Sharing Multiple-Employer Plan (PERF C).

Note 8: Pension Plan (Continued)

C. Proportionate Share of Net Pension Liability (Continued)

The EARSL for PERF C for the measurement period ending June 30, 2021 is 3.7 years, which was obtained by dividing the total service years of 561,622 (the sum of remaining service lifetimes of the active employees) by 150,648 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

As of the start of the measurement period (July 1, 2020), the City's net pension liability was $1,035,831. For the measurement period ending June 30, 2021 (the measurement date), the City incurred a pension credit of $611,736.

As of June 30, 2022, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 5,368	$ -
Differences between projected and actual investments earnings	-	41,788
Differences between employer's contributions and proprotionate share	41,834	10,963
Change in employer's proportion	184,954	19,778
Pension contributions made subsequent to measurement date	318,599	-
Total	$ 550,755	$ 72,529

The amounts above are net of outflows and inflows recognized in the 2020-21 measurement period expense. Contributions subsequent to the measurement date of $318,599 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Note 8: Pension Plan (Continued)

D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (Continued)

Fiscal Year Ending June 30:	Deferred Outflows/(Inflows) of Resources
2023	$ 86,796
2024	59,460
2025	24,920
2026	(11,549)
2027	-
Remaining	-

E. Payable to the Pension Plan

At June 30, 2022, the City reported a payable of $12,821 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2022.

Note 9: Other Post-Employment Benefits (OPEB)

Plan Description

The City has established a Retiree Healthcare Plan (HC Plan), and participates in a single-employer defined benefit retiree healthcare plan. Medical coverage is currently provided through CalPERS as permitted under the Public Employees' Medical and Hospital Care Act (PEMHCA). This coverage requires the employee to satisfy the requirements for retirement under CalPERS: either (a) attainment of age 50 (age 52, if a miscellaneous employee new to PERS on or after January 1, 2013) with 5 years of State or public agency service or (b) an approved disability retirement.

The employee must begin his or her retirement benefit within 120 days of terminating employment with the City to be eligible to continue medical coverage through the agency and be entitled to the benefits described below. If an eligible employee is not already enrolled in the medical plan, he or she may enroll within 60 days of retirement, during any future open enrollment period or with a qualifying life event. In other words, it is the timing of initiating retirement benefits and not timing of enrollment in the medical program which determines whether or not a City retiree qualifies for lifetime medical coverage and any benefits defined in the PEMHCA resolution. Once eligible, coverage may be continued at the retiree's option for his or her lifetime. A surviving spouse and other eligible dependents may also continue coverage.

PEMHCA Benefits provided: As a PEMHCA employer, the City is obligated to contribute toward the cost of retiree medical coverage for the retiree's lifetime or until coverage is discontinued. The City maintains a resolution with CalPERS defining the level of the City's contribution toward the cost of medical plan premiums for employees and retirees to be the PEMHCA minimum employer contribution (MEC). The MEC is $143 per month in 2021 and $149 per month in 2022. A separate financial report is not prepared for the HC Plan.

Note 9: Other Post-Employment Benefits (OPEB) (Continued)

Employees Covered

As of the June 30, 2021 actuarial valuation, the following current and former employees were covered by the benefit terms under the HC Plan:

Active employees	29
Inactive employees or beneficiaries currently receiving benefits	4
Total	**33**

Contributions

City contributions to the Plan occur as benefits are paid to or on behalf of retirees. Benefit payments may occur in the form of direct payments for premiums and taxes ("explicit subsidies") and/or indirect payments to retirees in the form of higher premiums for active employees ("implicit subsidies"). The City makes contributions to eligible retirees for their medical plan premiums when the retiree enrolls in a City sponsored health plan. The current monthly amount paid by the City is $149 per month per retiree. For the fiscal year ended June 30, 2022, the City's cash contributions were $7,008 in payments for premiums and $497 in implicit contributions.

Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2021, based on the following actuarial methods and assumptions:

Actuarial Assumptions:	
Discount Rate	2.18%
Inflation	2.50%
Salary Increases	3.00%
Mortality Rate	CalPERS 2017 Experience Study
Healthcare Trend Rate	Getzen Model 2022_b published by the Society of Actuaries

Discount Rate

The discount rate used to measure the total OPEB liability was 2.18% percent. The City is currently financing its OPEB liability on a pay-as-you-go basis. With the City's approval, the discount rate used in the valuation is based on the S&P Municipal Bond 20 Year High Grade Index. As of the beginning and end of the Measurement Period, use of this index results in discount rates of 2.66% on June 30, 2020 and 2.18% on June 30, 2021.

Changes of Assumptions

The discount rate was decreased from 2.66% to 2.18%.

Note 9: Other Post-Employment Benefits (OPEB) (Continued)

Changes in the Total OPEB Liability

The changes in the total OPEB liability for the HC Plan are as follows:

	Total OPEB Liability (a)
Balance at June 30, 2021 (Measurement Date June 30, 2020)	$ 436,717
Changes recognized for the measurement period:	
Service Cost	61,087
Interest	13,141
Changes of assumptions	35,505
Plan experience differences	6,123
Benefit payments	(7,597)
Net Changes	108,259
Balance at June 30, 2022 (Measurement Date June 30, 2021)	$ 544,976

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

	1% Decrease 1.18%	Current Discount Rate 2.18%	1% Increase 3.18%
Total OPEB Liability	$ 646,664	$ 544,976	$ 464,285

Note 9: Other Post-Employment Benefits (OPEB) (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the total OPEB liability of the Authority if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability	$ 445,900	$ 544,976	$ 676,136

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss:

Assumption changes and experience gains/losses	Expected average remaining service lifetime (EARSL) (12.25 Years at June 30, 2019)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2022, the City recognized OPEB expense of $29,185. As of fiscal year ended June 30, 2022, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	$ 7,505	$ -
Changes of assumptions	54,928	195,543
Differences between expected and actual experience	5,623	230,798
Total	$ 68,056	$ 426,341

Note 9: Other Post-Employment Benefits (OPEB) (Continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

The $7,505 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021 measurement date will be recognized as a reduction of the net OPEB liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Fiscal Year Ended June 30:	Deferred Outflows/(Inflows) of Resources
2023	$ (45,043)
2024	(45,043)
2025	(45,043)
2026	(45,043)
2027	(37,415)
Thereafter:	(148,203)

Note 10: Risk Management

A. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of Aliso Viejo is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 124 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

B. Primary Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for primary self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Note 10: Risk Management (Continued)

B. Primary Self-Insurance Programs of the Authority (Continued)

Primary Liability Program

Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to $100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from $100,000 to $500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from $500,000 to $50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The overall coverage limit for each member, including all layers of coverage, is $50 million per occurrence. Subsidence losses have a sub-limit of $50 million per occurrence. The coverage structure is composed of a combination of pooled self-insurance, reinsurance, and excess insurance. Additional information concerning the coverage structure is available on the Authority's website: https://cjpia.org/coverage/risk-sharing-pools/.

Primary Workers' Compensation Program

Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to $75,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from $75,000 to $200,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from $200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2021-22 the Authority's pooled retention is $1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to $1 million. Coverage from $1 million to $5 million is purchased as part of a reinsurance policy, and Employer's Liability losses from $5 million to $10 million are pooled among members.

Note 10: Risk Management (Continued)

C. Purchased Insurance

Pollution Legal Liability Insurance

The City of Aliso Viejo participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Aliso Viejo. Coverage is on a claims-made basis. There is a $250,000 deductible. The Authority has an aggregate limit of $20 million.

Property Insurance

The City of Aliso Viejo participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Aliso Viejo property is currently insured according to a schedule of covered property submitted by the City of Aliso Viejo to the Authority. City of Aliso Viejo property currently has all-risk property insurance protection in the amount of $28,497,001. There is a $10,000 deductible per occurrence except for non-emergency vehicle insurance which has a $2,500 deductible.

Crime Insurance

The City of Aliso Viejo purchases crime insurance coverage in the amount of $1,000,000 with a $2,500 deductible. The fidelity coverage is provided through the Authority.

Special Event Tenant User Liability Insurance

The City of Aliso Viejo further protects against liability damages by requiring tenant users of certain property to purchase low-cost tenant user liability insurance for certain activities on agency property. The insurance premium is paid by the tenant user and is paid to the City of Aliso Viejo according to a schedule. The City of Aliso Viejo then pays for the insurance. The insurance is facilitated by the Authority.

D. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2021-22.

Note 11: Joint Venture

Orange County Fire Authority

In July 2001, the City entered into a joint powers agreement with the cities of Buena Park, Cypress, Dana Point, Irvine, Laguna Hills, Laguna Niguel, Lake Forest, La Palma, Los Alamitos, Mission Viejo, Placentia, San Clemente, San Juan Capistrano, Seal Beach, Stanton, Tustin, Villa Park, Westminster, and Yorba Linda and the County of Orange to create the Orange County Fire Authority (Authority). Since the creation of the Authority, the Cities of Laguna Woods, Rancho Santa Margarita, Garden Grove and Santa Ana joined the Authority as members eligible for fire protection services. The purpose of the Authority is to provide for mutual fire protection, prevention and suppression services, and related and incidental services including, but not limited to, emergency medical and transport services as well as providing facilities and personnel for such services. The effective date of formation was March 1, 1995. The Authority's governing board consists of one representative from each City and two from the County. The operations of the Authority are funded with fire fees collected by the County through the property tax roll for the unincorporated area and on behalf of all member cities except for the Cities of Stanton, Tustin, San Clemente, Buena Park, Placentia, Seal Beach, Garden Grove and Santa Ana. The County pays all structural fire fees it collects to the Authority. The Cities of Stanton, Tustin, San Clemente, Buena Park, Placentia, Seal Beach, Garden Grove and Santa Ana are considered "cash contract cities" and accordingly, make cash contributions based on the Authority's annual budget. The City of Aliso Viejo does not have an equity interest in the assets of the Orange County Fire Authority. Complete financial statements may be obtained from the Orange County Fire Authority, 1 Fire Authority Rd., Irvine, California, 92602.

Note 12: Contingent Liabilities

Various claims and suits have been filed against the City in the normal course of business. Although the outcome of these matters is not presently determinable in the opinion of legal counsel, the resolutions of these matters will not have a material adverse effect on the financial condition of the City.

Note 13: Tax Abatements

The City entered into sales tax abatement agreements with local businesses under the Economic Development Subsidy under Government Code Section 53083. For the fiscal year ended June 30, 2022, the City abated sales taxes totaling $407,866.

Note 14: Reconciliation of Net Position

The net investment in capital assets as presented in the Statement of Net Position is calculated as follows:

Capital assets, net	$ 113,104,830
Intangible assets, net	14,862
Less bonds payable	(11,785,000)
Lease liability	(14,506)
Less premium on bonds payable	(903,526)
Less retentions payable	(67,924)
Net investment in capital assets	$ 100,348,736

Note 15: Stewardship, Compliance and Accountability

The following governmental funds reported a deficit fund balance at June 30, 2022:

Major Funds:	
Other Grants	$ (314,029)
Federal Grants	(85,717)
Non-major Governmental Funds:	
Debt Service Fund	(3,269)

Budgetary Comparison Information

Budget Policies

The City Manager shall prepare and submit the proposed annual budget to the City Council for its approval for all governmental funds. The agenda for the budget workshops and budget meetings are noticed in accordance with the Brown Act. After reviewing the same and making such revisions as it may deem advisable and public input the budget is then adopted annually by the Council at a regularly held meeting. The budget is adopted prior to the beginning of the fiscal year and serves as the foundation for the City's financial plan.

The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. Transfers of appropriations between funds can be made with the City Manager/Financial Services Director approval. City Council's approval is required for all budget amendments that result in a change to the fund balances.

Budgets are prepared in accordance with generally accepted accounting principles using the modified accrual basis of accounting.

Appropriations lapse at the end of the fiscal year unless they are re-appropriated through the formal budget process. Encumbrances do not constitute expenditures or liabilities of the City.

Budgeted amounts are as originally adopted, or as amended in accordance with prescribed procedures throughout the fiscal year.

Excess of expenditures over appropriations are as follows:

Expenditures that exceeded appropriations for the year ended June 30, 2022 are as follows:

Government Funds:	Final Budget	Expenditures	Excess
Major Government Funds:			
Aliso Viejo Center:			
Community services	$ 2,118,355	$ 2,207,490	$ (89,135)
Non-major Governmental Funds:			
Public safety	164,767	164,879	(112)
Aquatic Center	1,033,085	1,170,133	(137,048)

CITY OF ALISO VIEJO

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Fund Balances - Beginning	$ 27,131,163	$ 27,131,163	$ 27,131,163	$ -
Resources (Inflows):				
Taxes	16,510,075	16,946,238	18,420,699	1,474,461
Licenses and permits	716,100	718,300	714,168	(4,132)
Intergovernmental	50,000	42,500	64,675	22,175
Charges for services	536,850	361,850	380,965	19,115
Use of money and property	962,165	1,104,708	1,150,007	45,299
Fines and forfeitures	280,000	250,000	173,133	(76,867)
Other	60,040	40,040	20,730	(19,310)
Lease acquisition	-	-	23,131	23,131
Transfers in	3,102,300	3,405,415	3,348,755	(56,660)
Amounts available for appropriations	**49,348,693**	**50,000,214**	**51,427,426**	**1,427,212**
Charges to Appropriations (Outflows):				
General government:				
City council	196,065	209,062	184,469	24,593
City manager	725,815	724,820	686,092	38,728
Human resources	254,160	153,790	161,248	(7,458)
City clerk	428,630	428,630	424,599	4,031
City attorney	465,000	465,000	622,995	(157,995)
Finance	937,690	698,105	667,581	30,524
Information technology	917,730	1,005,803	864,958	140,845
General government	809,020	803,520	662,893	140,627
Community development:				
Community services	2,720,655	2,835,956	2,324,010	511,946
Planning	1,172,310	1,184,285	905,654	278,631
Building	648,130	648,130	565,536	82,594
Economic development	476,870	486,870	481,443	5,427
Public works	1,937,180	1,913,935	1,841,106	72,829
Public safety	9,998,659	9,995,659	9,340,524	655,135
Debt service:				
Principal payment	-	-	8,625	(8,625)
Interest and fiscal charges	-	-	137	(137)
Capital outlay	23,131	23,131	23,131	-
Transfers out	1,013,570	1,263,688	1,082,257	181,431
Total charges to Appropriations	**22,724,615**	**22,840,384**	**20,847,258**	**1,993,126**
Fund Balances - Ending	**$ 26,624,078**	**$ 27,159,830**	**$ 30,580,168**	**$ 3,420,338**

CITY OF ALISO VIEJO

BUDGETARY COMPARISON SCHEDULE
OTHER GRANTS
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Fund Balances (Deficit) - Beginning	$ (38,333)	$ (38,333)	$ (38,333)	$ -
Resources (Inflows):				
Intergovernmental	210,000	489,703	72,873	(416,830)
Use of money and property	405	405	-	(405)
Amount Available for Appropriations	**172,072**	**451,775**	**34,540**	**(417,235)**
Charges to Appropriations (Outflows):				
Transfers out	210,000	419,703	348,569	71,134
Total Charges to Appropriations	**210,000**	**419,703**	**348,569**	**71,134**
Fund Balances (Deficit) - Ending	**$ (37,928)**	**$ 32,072**	**$ (314,029)**	**$ (346,101)**

CITY OF ALISO VIEJO

BUDGETARY COMPARISON SCHEDULE
ALISO VIEJO CENTER
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Fund Balances - Beginning	$ -	$ -	$ -	$ -
Resources (Inflows):				
Charges for services	1,592,725	2,210,200	2,213,056	2,856
Other	282,425	435,870	473,677	37,807
Amounts Available for Appropriations	**1,875,150**	**2,646,070**	**2,686,733**	**40,663**
Charges to Appropriations (Outflows):				
Community services	1,650,550	2,118,355	2,207,490	(89,135)
Transfers out	224,600	527,715	479,243	48,472
Total Charges to Appropriations	**1,875,150**	**2,646,070**	**2,686,733**	**(40,663)**
Fund Balances - Ending	**$ -**	**$ -**	**$ -**	**$ -**

CITY OF ALISO VIEJO

BUDGETARY COMPARISON SCHEDULE
FEDERAL GRANTS
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Fund Balances - Beginning	**$ 15,409**	**$ 15,409**	**$ 15,409**	**$ -**
Resources (Inflows):				
Intergovernmental	3,338,820	3,338,820	3,033,181	(305,639)
Use of money and property	-	-	(127,074)	(127,074)
Amount Available for Appropriations	**3,354,229**	**3,354,229**	**2,921,516**	**(432,713)**
Charges to Appropriations (Outflows):				
General government	31,500	364,405	163,991	200,414
Transfer out	2,988,620	2,988,620	2,843,242	145,378
Total Charges to Appropriations	**3,020,120**	**3,353,025**	**3,007,233**	**345,792**
Fund Balances (Deficit) - Ending	**$ 334,109**	**$ 1,204**	**$ (85,717)**	**$ (86,921)**

CAPITAL ASSETS – MODIFIED APPROACH FOR INFRASTRUCTURE

The City elected to use the modified approach in reporting their street pavement infrastructure network.

Under the modified approach, infrastructure assets that are part of a network or subsystem of a network are not required to be depreciated as long as two requirements are met. First, the government manages the eligible infrastructure assets using an asset management system that has the following characteristics:

- Has an up-to-date inventory of eligible infrastructure assets
- Performs condition assessments of the eligible infrastructure assets and summarize the results using a measurement scale
- Estimates each year the annual amount to maintain and preserve the eligible infrastructure assets at the condition level established and disclosed by the government.

Second, the government documents that the eligible infrastructure assets are being preserved approximately at (or above) a condition level established and disclosed by the government. If eligible infrastructure assets meet all requirements and are not depreciated, all expenditures made for those assets (except for additions and improvements) are expensed in the period incurred. Additions and improvements to eligible infrastructure assets are capitalized. Additions or improvements increase the capacity or efficiency of infrastructure assets rather than preserve the useful life of the assets.

The condition of road pavement is measured using the Abbott Pavement Management System. All city streets have asphalt surfaces. Six distress factors are assessed for all street segments. Pavement condition is rated on a scale of 0 to 100 points. This rating scale is called a deficiency rating. The scale is subdivided into ranges or categories. Pavement condition is commonly defined by the following five categories.

1. Very good (86 to 100 Rating) — A street rated as excellent has the characteristics of a new street. A street in this category has no surface defects that would affect ride quality or cause excess tire noise.

2. Good (75 to 85 Rating) — A street rated as good has some surface defects that can be seen when walking along the street. Some cracking and raveling will probably exist. In fact, there could be large cracks in the street or many hairline cracks. There may be some minor bumps that can be felt when driving the street at posted speeds.

3. Fair (60 to 74 Rating) — A street rated as fair has areas of surface defects that are apparent to drivers and passengers as they use the street. There will probably be significant cracking and raveling of the asphalt surface. If cracking does not exist, the street will probably have many patches and utility cuts or perhaps some rutting and deformation. There will be some ride roughness and some additional tire noise. These streets will not cause increases in vehicle driving costs due to extra wear and tear on vehicles.

CAPITAL ASSETS – MODIFIED APPROACH FOR INFRASTRUCTURE (CONTINUED)

4. Poor (41 to 59 Rating) — A street rated as poor has surface defects generally throughout its length that are readily apparent to anyone using the street. There will be areas showing structural failure with closely spaced cracking and there may be pieces of loose pavement. A street in this category will cause additional vehicle user costs and excessive tire noise.

5. Very poor (40 and below Rating) — A street rated critical will have major areas of structural failure which may alter the speeds at which typical drivers drive on the street. There will be missing pieces of pavement. Repair of a street in this category will require reconstruction.

Annual street maintenance costs for the previous five fiscal years were as follows:

Year Ended June 30,	Actual	Estimated
2018	$ 1,730,400	$ 2,100,080
2019	3,131,301	3,621,540
2020	3,135,658	4,308,590
2021	3,425,241	3,779,360
2022	2,641,341	3,432,500
Total	$ 14,063,941	$ 17,242,070

The City of Aliso Viejo City Council (the Council) accepted the findings of the Pavement Management System performed in fiscal year 2002 (see results below) and adopted a condition rating of 75 as the minimum acceptable Pavement Condition Index (PCI). The PMS was updated using statistical methods in 2004. The approach incorporated a new field survey of approximately 10% of all streets. The survey was then statistically extended to the entire street system. A complete field survey was performed and accepted by the City Council starting fiscal year 2008 and every two years thereafter. See below for the three most recent condition assessments:

Conditions		2018	Mileage	2020	Mileage	2022	Mileage
86-100	Very good	58.1%	41.9	40.8%	30.5	41.6%	31.2
75-85	Good	25.4%	18.3	36.3%	25.5	34.8%	23.7
60-74	Fair	14.6%	10.5	20.1%	14.1	17.6%	11.5
41-59	Poor	1.9%	1.4	2.1%	1.5	6.0%	4.0
0-40	Very poor	0.0%	-	0.7%	0.5	0.0%	-
		100.0%	72.1	100.0%	72.1	100.0%	70.4

The results of the most recent complete condition assessment (performed in fiscal year 2022) reported an average condition rating of 83 which is 1 point higher than the 2020 average of 82. Funding in the amount of $2,310,000 was utilized for the maintenance/rehabilitation to achieve the minimum PCI standard as of June 30, 2022. The estimated funding required to maintain the PCI standard was calculated at $5,000,000. The condition survey will be updated during the fiscal year ended June 30, 2024, for a two-year cycle.

CITY OF ALISO VIEJO

REQUIRED SUPPLEMENTARY INFORMATION
MISCELLANEOUS PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS*

Measurement Date	Employer's Proportion of the Collective Net Pension Liability[1]	Employer's Proportionate Share of the Collective Net Pension Liability	Employer's Covered Payroll	Employer's Proportionate Share of the Collective Net Pension Liability as a Percentage of the Employer's Covered Payroll	Pension Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2014	0.009530%	$ 593,141	$ 1,385,329	42.82%	83.03%
6/30/2015	0.008707%	597,632	1,512,663	39.51%	84.98%
6/30/2016	0.008898%	845,320	1,553,759	54.40%	81.19%
6/30/2017	0.010501%	1,041,374	1,863,005	55.90%	80.23%
6/30/2018	0.009633%	928,264	2,081,191	44.60%	84.47%
6/30/2019	0.008506%	871,568	2,339,338	37.26%	86.96%
6/30/2020	0.009520%	1,035,831	2,602,634	39.80%	86.14%
6/30/2021	0.000885%	47,870	2,732,043	1.75%	99.43%

* Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation. Additional years will be presented as information becomes available.

[1]Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

CITY OF ALISO VIEJO

REQUIRED SUPPLEMENTARY INFORMATION
MISCELLANEOUS PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS*

Fiscal Year	Contractually Determined Contributions	Contributions in Relation to the Contractually Determined Contributions	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
2014-15	$ 164,464	$ (164,464)	$ -	$ 1,512,663	10.87%
2015-16	146,386	(146,386)	-	1,553,759	9.42%
2016-17	179,320	(179,320)	-	1,863,005	9.63%
2017-18	270,996	(270,996)	-	2,081,191	13.02%
2018-19	239,511	(439,511)	(200,000)	2,339,338	10.24%
2019-20	274,755	(274,755)	-	2,602,634	10.56%
2020-21	319,112	(319,112)	-	2,732,043	11.68%
2020-22	318,599	(318,599)	-	2,740,729	11.62%

Notes to Schedule:

Changes in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. Additionally, the figures above do not include any liability impact that may have resulted from Golden Handshakes that occurred after the June 30, 2020 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Changes in Assumptions: There were no assumption changes for 2021. For 2020, the Plan adopted a new amortization policy effective with the 2019 actuarial valuation. The new amortization policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy also does not utilize a five-year ramp-down on investment gains/losses. These changes apply only to new UAL bases established on or after June 30, 2019. There were no changes in assumptions in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate in 2019. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes in the discount rate. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

CITY OF ALISO VIEJO

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS*

Measurement Period	2017	2018	2019	2020	2021
Total OPEB Liability					
Service Cost	$ 100,385	$ 90,249	$ 97,449	$ 57,648	$ 61,087
Interest on the Total OPEB Liability	17,635	23,007	25,402	11,677	13,141
Actual and expected experience difference	-	-	(308,246)	-	-
Changes in assumptions	(73,112)	26,106	(217,431)	9,295	35,505
Difference between expected and actual experience	-	-	-	-	6,123
Benefit payments	(4,554)	(11,378)	(11,963)	(5,572)	(7,597)
Net change in Total OPEB Liability	40,354	127,984	(414,789)	73,048	108,259
Total OPEB Liability - Beginning	610,120	650,474	778,458	363,669	436,717
Total OPEB Liability - Ending (a)	$ 650,474	$ 778,458	$ 363,669	$ 436,717	$ 544,976
Plan Fiduciary Net Position					
Contribution - employer	$ 4,554	$ 11,378	$ 11,963	$ 5,572	$ 7,597
Benefit payments	(4,554)	(11,378)	(11,963)	(5,572)	(7,597)
Net change in Plan Fiduciary Net Position	-	-	-	-	-
Plan Fiduciary Net Position - Beginning	-	-	-	-	-
Plan Fiduciary Net Position - Ending (b)	$ -	$ -	$ -	$ -	$ -
Net OPEB Liability - Ending (a) - (b)	$ 650,474	$ 778,458	$ 363,669	$ 436,717	$ 544,976
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	$ 2,227,782	$ 2,451,516	$ 3,166,359	$ 3,357,784	$ 2,740,729
Net OPEB liability as a percentage of covered-employee payroll	29.20%	31.75%	11.49%	13.01%	19.88%

Notes to schedule:
The City does not have assets accumulated in a trust that meets the criteria of GASB 75 to pay related benefits.
Contributions are fixed and not based on a measure of pay, therefore covered-employee payroll is used in the schedule.

Valuation Date	6/30/2021
Actuarial cost method	Entry Age Normal Level % of Pay
Discount rate	2.18%
Inflation	2.50%
Healthcare cost trend rates	5.8% in 2022 (increase effective January 1, 2023) and grade down to 3.9% for years 2027 and later
Salary increases	3.00%
Retirement age	50 to 75
Mortality	CalPERS 2017 Experience Study
Mortality improvement	MW Scale 2022

* Measurement date 6/30/2017 (fiscal year 2018) was the first year of implementation. Additional years will be presented as information becomes available.

OTHER GOVERNMENTAL FUNDS

OTHER SPECIAL REVENUE FUNDS

Traffic Congestion Relief

The Traffic Congestion Relief Fund is used to account for revenue received from the SB1 Loan Repayment Program from the State of California.

Gas Tax

This fund is used to account for the City's share of the motor vehicle gas tax imposed under the provisions of the Street and Highway Code of the State of California under Sections 2105, 2106, 2107, and 2107.5 which are legally restricted for the acquisition, construction, improvements, and maintenance of public streets.

Measure M

The Measure M Fund is used to account for the City's share of the sales tax increase authorized by Orange County's Measure "M". These monies are legally restricted for the acquisition, construction, and improvement of public streets.

SB1 – RMRA

Senate Bill (SB) 1 created the Road Rehabilitation Maintenance Account to address deferred maintenance on the State Highway System and the local street and road system. These funds are legally restricted for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads.

Public Safety Grants

This fund is used to account for law enforcement grants received such as the California Law Enforcement Equipment Program (CLEEP) and the Supplemental Law Enforcement State Fund (SLESF).

Air Quality Improvement

This fund is used to account for the City's share of vehicle registration fees that the State of California has allocated to address air quality concerns in Southern California. These monies are to be used in air quality maintenance programs locally and/or regionally.

Integrated Waste Management

This fund is used to account for the receipt of the California Beverage and Recycling Grant.

OTHER GOVERNMENTAL FUNDS (continued)

Technology Grants

This fund is a result of negotiations between the City and a franchisee for a new franchise agreement. These funds will be used for new technology purchases, provide City information on the Cable T.V. Government Access Channel and provide programs and access to computers through technology upgrades to the Family Resource Center.

Development Impact Fund

This fund is used to account for revenue received as a result of negotiated developer agreements for affordable housing, traffic mitigation, community enhancement, and open spaces. This fund had no legally adopted budget for fiscal year ending June 30, 2022.

Aquatic Center

This fund is used to account for the operations of the Aliso Viejo Aquatic Center. The Aliso Viejo Aquatic Center is a City owned facility that provides residents with a resort-style swimming complex that includes a lap pool, whirlpool, tots wading pool, snack bar, and patio.

AV Ranch Foundation

This fund is used to account for donations received for the AV Ranch and payments approved by its Board of Trustees. This fund had no legally adopted budget for fiscal year ending June 30, 2022.

CAPITAL PROJECTS FUNDS

Capital Improvements

This fund is used to account for the City's street improvement projects.

Storm Water

This fund is used to account for the City's storm water related improvement projects.

Street Improvements

This fund is used to account for the City's street improvement projects.

DEBT SERVICE FUNDS

Debt Service Fund

This fund is used to account for the City's debt payments as well as any additional debt amounts deemed to be advisable and necessary for any public or municipal purposes. This fund had no legally adopted budget for fiscal year ending June 30, 2022.

CITY OF ALISO VIEJO

COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2022

	Special Revenue Funds			
	Traffic Congestion Relief	Gas Tax	Measure M	SB1 - RMRA
Assets:				
Cash and investments	$ 76,109	$ 773,138	$ 1,162,276	$ 645,128
Receivables:				
Accounts	-	6,870	-	-
Due from other governments	-	99,459	153,564	180,432
Prepaid costs	-	-	-	-
Total Assets	**$ 76,109**	**$ 879,467**	**$ 1,315,840**	**$ 825,560**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ 146,727	$ 876	$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Retentions payable	-	-	-	-
Total Liabilities	**-**	**146,727**	**876**	**-**
Deferred Inflows of Resources:				
Unavailable revenues - grants	-	-	-	-
Fund Balances:				
Restricted for:	-	-		
Debt service	-	-	-	-
Community services	-	-	-	-
Community development projects	-	-	-	-
Capital projects	76,109	732,740	1,314,964	825,560
Public safety	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficit)	**76,109**	**732,740**	**1,314,964**	**825,560**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 76,109**	**$ 879,467**	**$ 1,315,840**	**$ 825,560**

CITY OF ALISO VIEJO

COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2022 **(Continued)**

	Special Revenue Funds			
	Public Safety Grants	Air Quality Improvement	Integrated Waste Management	Technology Grants
Assets:				
Cash and investments	$ 141,390	$ 1,041,367	$ 83,592	$ 198,732
Receivables:				
Accounts	-	-	-	26,289
Due from other governments	-	16,383	-	-
Prepaid costs	-	-	-	2,550
Total Assets	**$ 141,390**	**$ 1,057,750**	**$ 83,592**	**$ 227,571**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ 12,371	$ -	$ -	$ 815
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Retentions payable	-	-	-	-
Total Liabilities	**12,371**	**-**	**-**	**815**
Deferred Inflows of Resources:				
Unavailable revenues	-	16,383	-	-
Fund Balances:				
Restricted for:				
Debt service	-	-	-	-
Community services	-	-	-	-
Community development projects	-	-	83,592	226,756
Capital projects	-	1,041,367	-	-
Public safety	129,019	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficit)	**129,019**	**1,041,367**	**83,592**	**226,756**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 141,390**	**$ 1,057,750**	**$ 83,592**	**$ 227,571**

CITY OF ALISO VIEJO

COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2022 (Continued)

	Special Revenue Funds			Capital Projects Funds
	Development Impact	Aquatic Center	AV Ranch Foundation	Capital Improvements
Assets:				
Cash and investments	$ 1,410,622	$ 213,105	$ 50	$ 166,105
Receivables:				
Accounts	-	2,056	-	-
Due from other governments	-	-	-	-
Prepaid costs	-	-	-	-
Total Assets	**$ 1,410,622**	**$ 215,161**	**$ 50**	**$ 166,105**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ 157,565	$ -	$ 166,105
Accrued liabilities	-	57,596	-	-
Due to other funds	-	-	-	-
Retentions payable	-	-	-	-
Total Liabilities	**-**	**215,161**	**-**	**166,105**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Fund Balances:				
Restricted for:				
Debt service	-	-	-	-
Community services	-	-	-	-
Community development projects	1,410,622	-	50	-
Capital projects	-	-	-	-
Public safety	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficit)	**1,410,622**	**-**	**50**	**-**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 1,410,622**	**$ 215,161**	**$ 50**	**$ 166,105**

CITY OF ALISO VIEJO

COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2022 (Continued)

	Capital Projects Funds		Debt Service Funds	
	Storm Water	Street Improvements	Debt Service Fund	Total Nonmajor Governmental Funds
Assets:				
Cash and investments	$ -	$ 169,808	$ -	$ 6,081,422
Receivables:				
Accounts	-	-	-	35,215
Due from other governments	5,353	-	-	455,191
Prepaid costs	-	-	-	2,550
Total Assets	**$ 5,353**	**$ 169,808**	**$ -**	**$ 6,574,378**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ 114,384	$ -	$ 598,843
Accrued liabilities	-	-	-	57,596
Due to other funds	5,353	-	3,269	8,622
Retentions payable	-	55,424	-	55,424
Total Liabilities	**5,353**	**169,808**	**3,269**	**720,485**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	16,383
Fund Balances:				
Restricted for:				
Debt service	-	-	-	-
Community services	-	-	-	-
Community development projects	-	-	-	1,721,020
Capital projects	-	-	-	3,990,740
Public safety	-	-	-	129,019
Unassigned	-	-	(3,269)	(3,269)
Total Fund Balances (Deficit)	**-**	**-**	**(3,269)**	**5,837,510**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 5,353**	**$ 169,808**	**$ -**	**$ 6,574,378**

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CITY OF ALISO VIEJO

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OTHER GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue Funds			
	Traffic Congestion Relief	Gas Tax	Measure M	SB1 - RMRA
Revenues:				
Intergovernmental	$ -	$ 1,186,433	$ 902,573	$ 1,014,000
Charges for services	-	-	-	-
Use of money and property	(3,031)	(31,431)	(40,196)	(27,626)
Contributions	-	-	-	-
Total Revenues	**(3,031)**	**1,155,002**	**862,377**	**986,374**
Expenditures:				
Current:				
General government	-	-	-	-
Community development:				
Community services	-	-	-	-
Public works	-	1,030,996	4,140	-
Public safety	-	-	-	-
Debt service:				
Principal payment	-	-	-	-
Interest expense	-	-	-	-
Total Expenditures	**-**	**1,030,996**	**4,140**	**-**
Excess (deficiency) of revenues over (under) expenditures	(3,031)	124,006	858,237	986,374
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(11,769)	(131,915)	(394,821)	(944,154)
Total Other Financing Sources (Uses)	**(11,769)**	**(131,915)**	**(394,821)**	**(944,154)**
Net change in fund balances	(14,800)	(7,909)	463,416	42,220
Fund balances, beginning of year	90,909	740,649	851,548	783,340
Fund balances (deficit), end of year	**$ 76,109**	**$ 732,740**	**$ 1,314,964**	**$ 825,560**

CITY OF ALISO VIEJO

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OTHER GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2022 (Continued)

	Special Revenue Funds			
	Public Safety Grants	Air Quality Improvement	Integrated Waste Management	Technology Grants
Revenues:				
Intergovernmental	$ 161,285	$ 47,694	$ 83,866	$ 107,498
Charges for services	-	-	-	-
Use of money and property	(4,882)	(38,400)	(2,842)	(6,686)
Contributions	-	-	-	-
Total Revenues	**156,403**	**9,294**	**81,024**	**100,812**
Expenditures:				
Current:				
General government	-	-	-	24,831
Community development:				
Community services	-	-	-	-
Public works	-	-	15,184	-
Public safety	164,879	-	-	-
Debt service:				
Principal payment	-	-	-	-
Interest expense	-	-	-	-
Total Expenditures	**164,879**	**-**	**15,184**	**24,831**
Excess (deficiency) of revenues over (under) expenditures	(8,476)	9,294	65,840	75,981
Other Financing Sources (Uses):				
Transfers in	27,548	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	**27,548**	**-**	**-**	**-**
Net change in fund balances	19,072	9,294	65,840	75,981
Fund balances, beginning of year	109,947	1,032,073	17,752	150,775
Fund balances (deficit), end of year	**$ 129,019**	**$ 1,041,367**	**$ 83,592**	**$ 226,756**

CITY OF ALISO VIEJO

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OTHER GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2022 (Continued)

	Special Revenue Funds			Capital Projects Funds
	Development Impact	Aquatic Center	AV Ranch Foundation	Capital Improvements
Revenues:				
Intergovernmental	$ -	$ -	$ -	$ -
Charges for services	-	1,042,244	-	-
Use of money and property	-	-	-	-
Contributions	-	-	50	-
Total Revenues	**-**	**1,042,244**	**50**	**-**
Expenditures:				
Current:				
General government	-	-	-	-
Community development:				
Community services	-	1,170,133	-	-
Public works	-	-	-	572,107
Public safety	-	-	-	-
Debt service:				
Principal payment	-	-	-	-
Interest expense	-	-	-	-
Total Expenditures	**-**	**1,170,133**	**-**	**572,107**
Excess (deficiency) of revenues over (under) expenditures	-	(127,889)	50	(572,107)
Other Financing Sources (Uses):				
Transfers in	-	108,389	-	572,107
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**108,389**	**-**	**572,107**
Net change in fund balances	-	(19,500)	50	-
Fund balances, beginning of year	1,410,622	19,500	-	-
Fund balances (deficit), end of year	**$ 1,410,622**	**$ -**	**$ 50**	**$ -**

CITY OF ALISO VIEJO

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OTHER GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2022 (Continued)

	Capital Projects Funds		Debt Service Funds	
	Storm Water	Street Improvements	Debt Service Fund	Total Nonmajor Governmental Funds
Revenues:				
Intergovernmental	$ -	$ -	$ -	$ 3,503,349
Charges for services	-	-	-	1,042,244
Use of money and property	-	-	-	(155,094)
Contributions	-	-	-	50
Total Revenues	**-**	**-**	**-**	**4,390,549**
Expenditures:				
Current:				
General government	-	-	-	24,831
Community development:				
Community services	-	-	-	1,170,133
Public works	24,692	1,500,043	-	3,147,162
Public safety	-	-	-	164,879
Debt service:				
Principal payment	-	-	235,000	235,000
Interest expense	-	-	422,705	422,705
Total Expenditures	**24,692**	**1,500,043**	**657,705**	**5,164,710**
Excess (deficiency) of revenues over (under) expenditures	(24,692)	(1,500,043)	(657,705)	(774,161)
Other Financing Sources (Uses):				
Transfers in	24,692	1,500,043	654,436	2,887,215
Transfers out	-	-	-	(1,482,659)
Total Other Financing Sources (Uses)	**24,692**	**1,500,043**	**654,436**	**1,404,556**
Net change in fund balances	-	-	(3,269)	630,395
Fund balances, beginning of year	-	-	-	5,207,115
Fund balances (deficit), end of year	**$ -**	**$ -**	**$ (3,269)**	**$ 5,837,510**

CITY OF ALISO VIEJO

BUDGETARY COMPARISON SCHEDULE
TRAFFIC CONGESTION RELIEF
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Fund Balances - Beginning	**$ 90,909**	**$ 90,909**	**$ 90,909**	**$ -**
Resources (Inflows):				
Use of money and property	1,125	1,125	(3,031)	(4,156)
Amount Available for Appropriations	**92,034**	**92,034**	**87,878**	**(4,156)**
Charges to Appropriations (Outflows):				
Transfers out	144,305	90,905	11,769	79,136
Total Charges to Appropriations	**144,305**	**90,905**	**11,769**	**79,136**
Fund Balances - Ending	**$ (52,271)**	**$ 1,129**	**$ 76,109**	**$ 74,980**

CITY OF ALISO VIEJO

BUDGETARY COMPARISON SCHEDULE
GAS TAX
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Fund Balances - Beginning	$ 740,649	$ 740,649	$ 740,649	$ -
Resources (Inflows):				
Intergovernmental	1,316,425	1,316,425	1,186,433	(129,992)
Use of money and property	8,350	8,350	(31,431)	(39,781)
Amounts Available for Appropriations	**2,065,424**	**2,065,424**	**1,895,651**	**(169,773)**
Charges to Appropriations (Outflows):				
Public works	1,006,800	1,073,700	1,030,996	42,704
Transfers out	125,000	125,000	131,915	(6,915)
Total Charges to Appropriations	**1,131,800**	**1,198,700**	**1,162,911**	**35,789**
Fund Balances - Ending	**$ 933,624**	**$ 866,724**	**$ 732,740**	**$ (133,984)**

CITY OF ALISO VIEJO

BUDGETARY COMPARISON SCHEDULE
MEASURE M
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Fund Balances - Beginning	**$ 851,548**	**$ 851,548**	**$ 851,548**	**$ -**
Resources (Inflows):				
Intergovernmental	714,030	714,030	902,573	188,543
Use of money and property	7,130	7,130	(40,196)	(47,326)
Amount Available for Appropriations	**1,572,708**	**1,572,708**	**1,713,925**	**141,217**
Charges to Appropriations (Outflows):				
Public works	25,430	25,430	4,140	21,290
Transfers out	790,695	844,095	394,821	449,274
Total Charges to Appropriations	**816,125**	**869,525**	**398,961**	**470,564**
Fund Balances - Ending	**$ 756,583**	**$ 703,183**	**$ 1,314,964**	**$ 611,781**

CITY OF ALISO VIEJO

BUDGETARY COMPARISON SCHEDULE
SB1 – RMRA
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Fund Balances - Beginning	**$ 783,340**	**$ 783,340**	**$ 783,340**	**$ -**
Resources (Inflows):				
Intergovernmental	1,000,000	1,000,000	1,014,000	14,000
Use of money and property	4,670	4,670	(27,626)	(32,296)
Amount Available for Appropriations	**1,788,010**	**1,788,010**	**1,769,714**	**(18,296)**
Charges to Appropriations (Outflows):				
Transfers out	1,225,000	1,225,000	944,154	280,846
Total Charges to Appropriations	**1,225,000**	**1,225,000**	**944,154**	**280,846**
Fund Balances - Ending	**$ 563,010**	**$ 563,010**	**$ 825,560**	**$ 262,550**

CITY OF ALISO VIEJO

BUDGETARY COMPARISON SCHEDULE
PUBLIC SAFETY GRANTS
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Fund Balances - beginning	**$ 109,947**	**$ 109,947**	**$ 109,947**	**$ -**
Resources (Inflows):				
Intergovernmental	175,000	175,000	161,285	(13,715)
Use of money and property	1,620	1,620	(4,882)	(6,502)
Transfers in	-	-	27,548	(27,548)
Amount Available for Appropriations	**286,567**	**286,567**	**293,898**	**(47,765)**
Charges to Appropriations (Outflows):				
Public safety	164,767	164,767	164,879	(112)
Total Charges to Appropriations	**164,767**	**164,767**	**164,879**	**(112)**
Fund Balances - Ending	**$ 121,800**	**$ 121,800**	**$ 129,019**	**$ (47,877)**

CITY OF ALISO VIEJO

BUDGETARY COMPARISON SCHEDULE
AIR QUALITY IMPROVEMENT
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Fund Balances - Beginning	**$ 1,032,073**	**$ 1,032,073**	**$ 1,032,073**	**$ -**
Resources (Inflows):				
Intergovernmental	65,000	65,000	47,694	(17,306)
Use of money and property	8,240	8,240	(38,400)	(46,640)
Amount Available for Appropriations	**1,105,313**	**1,105,313**	**1,041,367**	**(63,946)**
Charges to Appropriations (Outflows):				
Public safety	65,000	65,000	-	65,000
Total Charges to Appropriations	**65,000**	**65,000**	**-**	**65,000**
Fund Balances - Ending	**$ 1,040,313**	**$ 1,040,313**	**$ 1,041,367**	**$ 1,054**

CITY OF ALISO VIEJO

BUDGETARY COMPARISON SCHEDULE
INTEGRATED WASTE MANAGEMENT
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Fund Balances - Beginning	**$ 17,752**	**$ 17,752**	**$ 17,752**	**$ -**
Resources (Inflows):				
Intergovernmental	12,880	12,880	83,866	70,986
Use of money and property	45	45	(2,842)	(2,887)
Amount Available for Appropriations	**30,677**	**30,677**	**98,776**	**68,099**
Charges to Appropriations (Outflows):				
Public works	4,000	16,000	15,184	816
Transfers out	9,000	9,000	-	9,000
Total Charges to Appropriations	**4,000**	**25,000**	**15,184**	**9,816**
Fund Balances - Ending	**$ 26,677**	**$ 5,677**	**$ 83,592**	**$ 77,915**

CITY OF ALISO VIEJO

BUDGETARY COMPARISON SCHEDULE
TECHNOLOGY GRANTS
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Fund Balances - Beginning	**$ 150,775**	**$ 150,775**	**$ 150,775**	**$ -**
Resources (Inflows):				
Intergovernmental	123,200	123,200	107,498	(15,702)
Use of money and property	1,950	1,950	(6,686)	(8,636)
Amount Available for Appropriations	**275,925**	**275,925**	**251,587**	**(24,338)**
Charges to Appropriations (Outflows):				
General government	75,180	180,180	24,831	155,349
Total Charges to Appropriations	**75,180**	**180,180**	**24,831**	**155,349**
Fund Balances - Ending	**$ 200,745**	**$ 95,745**	**$ 226,756**	**$ 131,011**

CITY OF ALISO VIEJO

BUDGETARY COMPARISON SCHEDULE
AQUATIC CENTER
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Fund Balances - Beginning	$ 19,500	$ 19,500	$ 19,500	$ -
Resources (Inflows):				
Charges for services	871,000	885,000	1,042,244	157,244
Transfers in	152,110	148,085	108,389	(39,696)
Amounts Available for Appropriations	**1,042,610**	**1,052,585**	**1,170,133**	**117,548**
Charges to Appropriations (Outflows):				
Community services	1,023,110	1,033,085	1,170,133	(137,048)
Total Charges to Appropriations	**1,023,110**	**1,033,085**	**1,170,133**	**(137,048)**
Fund Balances - Ending	**$ 19,500**	**$ 19,500**	**$ -**	**$ (19,500)**

CITY OF ALISO VIEJO

BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Fund Balances - Beginning	**$ -**	**$ -**	**$ -**	**$ -**
Resources (Inflows):				
Transfers in	502,180	880,700	572,107	(308,593)
Amount Available for Appropriations	**502,180**	**880,700**	**572,107**	**(308,593)**
Charges to Appropriations (Outflows):				
Public works	502,180	880,700	572,107	308,593
Total Charges to Appropriations	**502,180**	**880,700**	**572,107**	**308,593**
Fund Balances - Ending	**$ -**	**$ -**	**$ -**	**$ -**

CITY OF ALISO VIEJO

BUDGETARY COMPARISON SCHEDULE
STORM WATER
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Fund Balances - Beginning	$ -	$ -	$ -	$ -
Resources (Inflows):				
Transfers in	30,000	30,000	24,692	(5,308)
Amount Available for Appropriations	**30,000**	**30,000**	**24,692**	**(5,308)**
Charges to Appropriations (Outflows):				
Public works	30,000	30,000	24,692	5,308
Total Charges to Appropriations	**30,000**	**30,000**	**24,692**	**5,308**
Fund Balances - Ending	$ -	$ -	$ -	$ -

CITY OF ALISO VIEJO

BUDGETARY COMPARISON SCHEDULE
STREET IMPROVEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Fund Balances - Beginning	$ -	$ -	$ -	$ -
Resources (Inflows):				
Transfer in	2,285,000	2,285,000	1,500,043	(784,957)
Amount Available for Appropriations	**2,285,000**	**2,285,000**	**1,500,043**	**(784,957)**
Charges to Appropriations (Outflows):				
Public works	2,285,000	2,285,000	1,500,043	784,957
Total Charges to Appropriations	**2,285,000**	**2,285,000**	**1,500,043**	**784,957**
Fund Balances - Ending	$ -	$ -	$ -	$ -

CUSTODIAL FUNDS

Custodial Funds are used to account for the assets held by the City as an agent for individuals, private organizations and other government units. The City of Aliso Viejo has the following Custodial Funds:

Community Trust

This fund is used to account for funding received from the Aliso Viejo Community Foundation, a non-profit organization. The foundation holds fundraisers and provides opportunities for donors to contribute to the Aliso Viejo Community programs.

CFD 2005-01

This fund is used to account for CFD 2005-01 Mello Roos funds held with the City's fiscal agent. Funds held by the fiscal agent include special taxes and the reserve funds for the payment of the bonds.

Renewable Farms

This fund is used to account for the operations of the Renewable Farms facility. Renewable Farms is a City owned outdoor facility that serves as a venue to accommodate an array of functions such as wedding celebrations and private events.

CITY OF ALISO VIEJO

COMBINING STATEMENT OF FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS
JUNE 30, 2022

	Community Trust	CFD 2005-1	Renewable Farms	Total
Assets:				
Cash and investments	$ 7,841	$ -	$ 36,416	$ 44,257
Restricted cash and investments	-	4,375,616	-	4,375,616
Accounts receivable	-	-	1,436	1,436
Due from other governments	-	39,349	-	39,349
Total assets	7,841	4,414,965	37,852	4,460,658
Liabilities:				
Accounts payable	-	2,018	37,852	39,870
Deposits payable	7,841	-	-	7,841
Total liabilities	7,841	2,018	37,852	47,711
Net position:				
Restricted for organizations and other governments	-	4,412,947	-	4,412,947
Total net position	$ -	$ 4,412,947	$ -	$ 4,412,947

CITY OF ALISO VIEJO

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Community Trust	CFD 2005-1	Renewable Farms	Total
Additions:				
Assessments	$ -	$ 2,164,165	$ -	$ 2,164,165
Events and rentals	-	-	387,552	387,552
Interest income	-	(145,985)	-	(145,985)
Total additions	-	2,018,180	387,552	2,405,732
Deductions:				
Administrative expenses	-	-	387,552	387,552
Payments to bondholders:				
Principal	-	710,000	-	710,000
Interest	-	1,422,318	-	1,422,318
Total deductions	-	2,132,318	387,552	2,519,870
Net increase (decrease) in fiduciary net position	-	(114,138)	-	(114,138)
Net position, beginning of year	-	4,527,085	-	4,527,085
Net position, end of year	$ -	$ 4,412,947	$ -	$ 4,412,947

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STATISTICAL SECTION

This part of the City of Aliso Viejo's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the government's overall financial health.

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These schedules contain trend information to help the reader understand how the government's financial performances and well-being have changed over time.		
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Debt Capacity		
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.		
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.		
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These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.		
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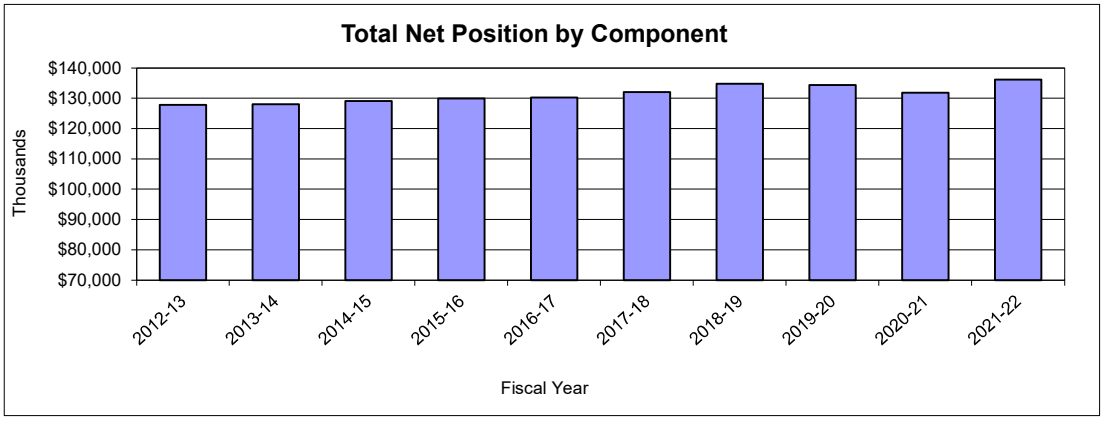
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CITY OF ALISO VIEJO

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	Fiscal Years				
	2012-13	2013-14	2014-15	2015-16	2016-17
Governmental Activities					
Net Investment in Capital Assets	$ 89,326,107	$ 95,679,944	$ 95,155,183	$ 94,579,142	$ 95,000,131
Restricted					
Community Development	770,031	731,008	482,242	279,027	(34,396)
Community Services					-
Public Works	11,351,165	11,451,213	12,018,986	11,840,453	8,299,848
Public Safety	57,693	84,886	-	12,953	39,957
Debt Service	515,759	-	-	-	-
Unrestricted	25,767,983	20,080,095	21,354,275	23,233,017	26,937,175
Total governmental activities net position	$ 127,788,738	$ 128,027,146	$ 129,010,686	$ 129,944,592	$ 130,242,715

	Fiscal Years				
	2017-18	2018-19	2019-20	2020-21	2021-22
Governmental Activities					
Net Investment in Capital Assets	$ 94,791,785	$ 95,555,817	$ 93,873,835	$ 101,009,829	$ 100,348,736
Restricted					
Community Development	203,708	334,190	2,891,135	1,579,149	1,721,020
Community Services	-	-	-	19,500	-
Public Works	7,637,647	8,536,428	122,819	3,498,519	3,990,740
Public Safety	83,097	105,213	4,121,343	125,356	129,019
Debt Service	-	-	4,319,695	-	-
Unrestricted	29,312,285	30,211,693	29,006,434	25,601,465	29,924,478
Total governmental activities net position	$ 132,028,522	$ 134,743,341	$ 134,335,261	$ 131,833,818	$ 136,113,993

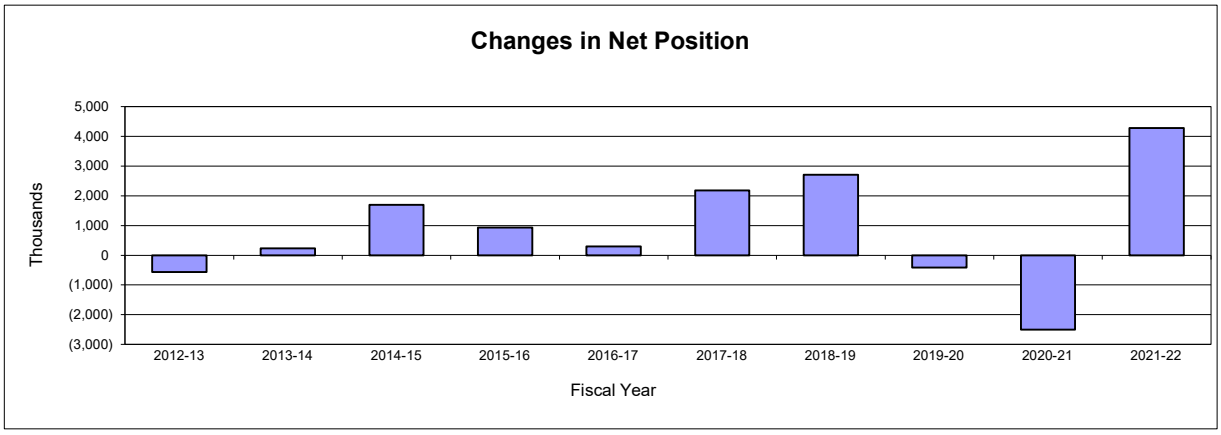


Source: City Finance Department

CITY OF ALISO VIEJO

CHANGE IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Years									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Revenues										
Program Revenues										
Charges for Services	$ 1,861,661	$ 1,853,679	$ 2,287,957	$ 2,654,055	$ 3,474,104	$ 4,202,366	$ 3,836,994	$ 3,070,201	$ 4,001,459	$ 5,742,780
Operating Contributions & Grants	2,604,100	3,902,695	2,682,605	2,770,178	3,672,804	2,805,856	5,171,638	4,342,486	4,852,523	6,945,042
Capital Contributions & Grants	-	99,283	99,283	18,875	17,831	-	-	9,600	-	-
Taxes										
Sales Tax	4,685,598	4,814,560	4,795,433	4,601,042	6,236,832	6,545,732	6,128,143	4,765,921	3,524,908	6,117,932
Property Tax	6,379,228	6,441,021	6,741,164	7,317,139	7,503,432	7,936,613	8,211,394	8,647,685	8,981,521	9,211,738
Franchise Fees	1,487,395	1,511,450	1,584,358	1,573,339	1,507,041	1,577,213	1,829,070	1,729,418	1,672,280	1,744,239
Transient Occupancy Tax	780,075	862,294	916,286	1,108,102	1,606,165	1,696,598	1,640,628	1,220,997	723,599	1,413,074
Motor Vehicle License Fees	25,112	20,991	20,470	20,256	22,627	26,483	24,936	40,659	36,704	57,547
Investment Income	66,734	72,969	273,901	328,416	324,781	402,978	790,051	1,053,024	377,709	(153,060)
Other	79,919	61,559	132,872	195,831	186,455	191,376	174,274	292,184	292,095	118,665
Total Revenues	17,969,822	19,640,501	19,534,329	20,587,233	24,552,072	25,385,215	27,807,128	25,172,175	24,462,798	31,197,957
Expenses										
General Government	2,993,646	3,030,088	3,189,090	3,459,012	4,139,974	4,418,462	4,725,232	4,878,395	5,621,731	4,943,476
Community Services	1,935,808	2,139,277	2,221,206	2,982,463	3,433,106	3,771,964	3,878,633	3,433,830	1,754,782	5,264,667
Community Development	1,676,713	1,615,338	1,635,629	1,450,043	3,824,732	1,735,901	1,601,865	1,830,144	3,695,994	1,244,026
Public Works	4,927,121	5,246,908	3,360,251	4,038,360	4,484,898	4,444,500	5,924,079	5,631,039	6,016,332	5,473,152
Public Safety	6,637,899	7,022,580	7,427,581	7,723,449	8,371,239	8,831,639	8,962,500	9,312,287	9,480,235	9,601,888
Interest and Fiscal Charges	360,975	347,902	-	-	-	-	-	494,561	395,167	390,573
Total Expense	18,532,162	19,402,093	17,833,757	19,653,327	24,253,949	23,202,466	25,092,309	25,580,256	26,964,241	26,917,782
Change in net Position	$ (562,340)	$ 238,408	$ 1,700,572	$ 933,906	$ 298,123	$ 2,182,749	$ 2,714,819	$ (408,080)	$ (2,501,442)	$ 4,280,175



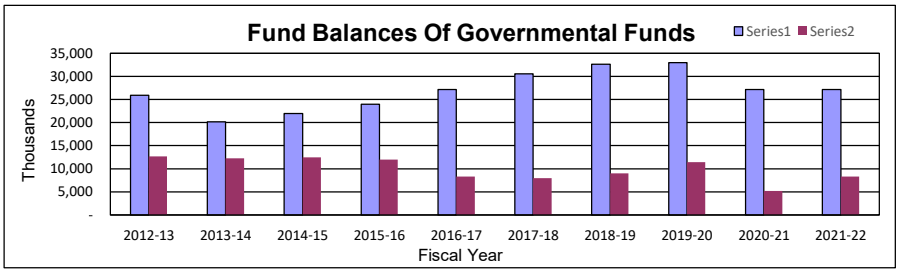
Source: City Finance Department

CITY OF ALISO VIEJO

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Years				
	2012-13	2013-14	2014-15	2015-16	2016-17
General Fund Balances					
Nonspendable:					
Prepaid	$ 130,620	$ 111,045	$ 146,132	$ 187,681	$ 231,198
Assigned to:					
Contingencies	4,000,331	4,127,631	4,229,500	4,351,653	4,681,192
Self Insurance/benefit obligations	570,000	570,000	738,900	724,000	1,200,000
Asset Replacement	8,657,715	9,065,735	9,440,700	9,850,000	10,044,448
Emergencies & Unanticipated Traffic Projects	500,000	1,500,000	1,500,000	1,500,000	1,500,000
800 MHZ Upgrade & Replacement	-	262,000	262,000	-	-
Long Term Debt	7,335,000	-	-	-	-
Unassigned:	4,709,175	4,521,835	5,616,888	7,374,518	9,509,904
Total General Fund	$ 25,902,841	$ 20,158,246	$ 21,934,120	$ 23,987,852	$ 27,166,742
All other govenmental funds					
Nonspendable:					
Prepaid	$ 30,942	$ 30,562	$ 4,272	$ 14,127	$ 25,041
Assigned to:					
Emergencies & Unanticipated Traffic Projects	-	-	-	-	-
Restricted For:					
Community Development Projects	770,031	731,008	482,242	278,992	19,736
Community Services	-	-	-	-	-
Public Safety	57,693	84,886	-	-	39,957
Capital Projects	11,351,165	11,451,213	12,018,986	11,853,406	8,299,848
Debt Service	515,759	-	-	-	-
Unassigned:	(23,971)	(30,562)	(19,027)	(198,271)	(79,173)
Total All Other Governmental Funds	$ 12,701,619	$ 12,267,107	$ 12,486,473	$ 11,948,254	$ 8,305,409

	Fiscal Years				
	2017-18	2018-19	2019-20	2020-21	2021-22
General Fund Balances					
Nonspendable:					
Prepaid	$ 206,488	$ 222,029	$ 236,326	$ 76,150	$ 81,267
Assigned to:					
Contingencies	4,700,000	2,963,795	2,860,265	2,649,388	3,500,571
Self Insurance/benefit obligations	1,200,000	900,000	1,445,475	1,150,474	600,000
Asset Replacement	10,000,000	9,700,000	9,096,430	8,317,710	11,882,444
Emergencies & Unanticipated Traffic Projects	1,500,000	15,000,000	15,000,000	15,000,000	10,000,000
800 MHZ Upgrade & Replacement	-		-	-	-
Unassigned:	12,935,238	3,811,349	4,332,263	(62,559)	4,515,886
Total General Fund	$ 30,541,726	$ 32,597,173	$ 32,970,759	$ 27,131,163	$ 30,580,168
All other govenmental funds					
Nonspendable:					
Prepaid	$ -	$ -	$ -	$ -	$ -
Assigned to:					
Emergencies & Unanticipated Traffic Projects	-				
Restricted For:					
Community Development Projects	203,708	334,190	2,891,135	1,579,149	1,721,020
Community Services	-	-	-	19,500	-
Public Safety	83,097	105,213	122,819	125,356	129,019
Capital Projects	7,637,647	8,536,428	4,121,343	-	3,990,740
Debt Service	-		4,319,695	3,498,519	-
Unassigned:	-	-	-	(38,333)	(403,015)
Total All Other Governmental Funds	$ 7,924,452	$ 8,975,831	$ 11,454,992	$ 5,184,191	$ 5,437,764

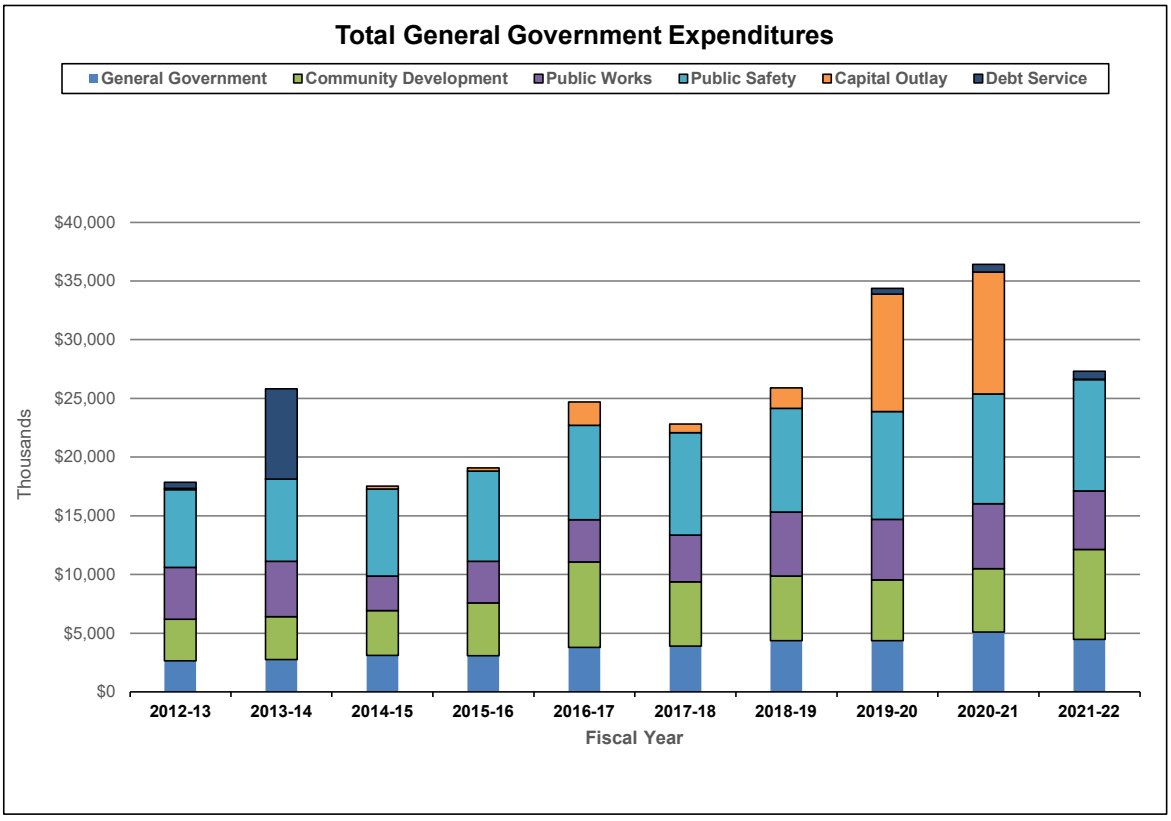


Source: City Finance Department

CITY OF ALISO VIEJO

GENERAL GOVERNMENT - EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS

Fiscal Year	General Government	Community Development	Public Works	Public Safety	Capital Outlay	Debt Service	Total
2012-13	$ 2,632,999	$ 3,549,268	$ 4,421,239	$ 6,624,180	$ 103,249	$ 514,065	$ 17,845,000
2013-14 *	2,744,983	3,663,530	4,705,326	7,014,723	4,457	7,686,590	25,819,609
2014-15 *	3,101,820	3,821,432	2,940,272	7,407,531	268,034	-	17,539,088
2015-16	3,079,528	4,485,482	3,557,336	7,677,426	292,742	-	19,092,514
2016-17	3,797,104	7,267,554	3,605,820	8,030,234	1,981,850	-	24,682,562
2017-18	3,907,504	5,479,501	3,962,004	8,730,712	736,315	-	22,816,036
2018-19	4,368,307	5,504,012	5,441,582	8,844,067	1,723,775	-	25,881,743
2019-20	4,370,213	5,177,202	5,148,542	9,170,586	10,006,820	494,561	34,367,924
2020-21	5,110,883	5,381,558	5,531,650	9,358,289	10,375,082	657,436	36,414,898
2021-22	4,463,657	7,654,266	4,988,268	9,505,403	23,131	666,467	27,301,192



** Fiscal Year 2013-14 debt service includes payoff of the City Hall COP bond.*

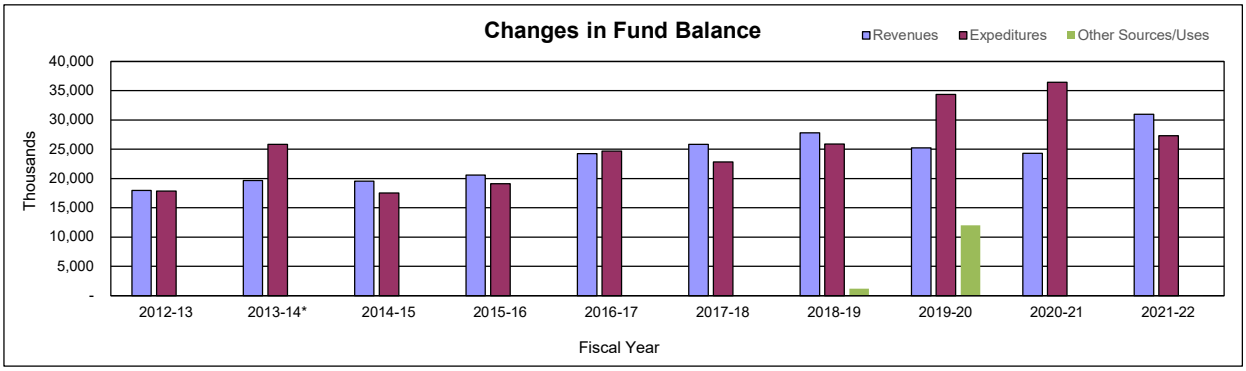
***Includes General and Special Revenue Funds.*

Source: City Finance Department

CITY OF ALISO VIEJO

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Years									
	2012-13	2013-14*	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Revenues										
Taxes	$ 13,348,264	$ 13,648,081	$ 14,064,937	$ 14,629,530	$ 16,884,140	$ 17,777,707	$ 17,704,139	$ 16,270,976	$ 14,823,926	$ 18,420,699
Licenses and Permits	482,730	377,459	676,218	694,054	664,202	957,209	706,764	719,720	976,781	714,168
Intergovernmental	2,090,978	2,858,226	2,189,004	2,617,535	2,585,675	2,963,077	4,218,802	4,208,995	3,987,463	6,674,078
Charges for Services	817,633	1,029,007	1,190,138	1,639,479	2,519,225	2,864,619	2,639,775	2,047,978	2,198,864	3,636,265
Use of Money and Property	342,103	332,170	288,325	358,917	359,023	524,729	1,152,130	1,258,109	1,068,212	867,839
Fines and Forfeitures	327,174	271,644	415,671	312,400	282,322	300,988	307,513	275,229	310,419	173,133
Developer Fees	355,137	992,783	521,859	30,500	536,182	-	715,000	9,600	585,000	-
Contributions	-	-	42,894	-	-	-	-	-	100,000	50
Other	205,803	131,131	145,283	325,612	387,838	421,734	333,252	423,194	253,836	494,407
Total Revenues	17,969,822	19,640,501	19,534,329	20,608,027	24,218,607	25,810,063	27,777,375	25,213,801	24,304,501	30,980,639
Expeditures										
General Government	2,632,999	2,744,983	3,101,820	3,079,528	3,797,104	3,907,504	4,368,307	4,370,213	5,110,883	4,463,657
Community Development	3,549,268	3,663,530	3,821,432	4,485,482	7,267,554	5,479,501	5,504,012	5,177,202	5,381,558	7,654,266
Public Works	4,421,239	4,705,326	2,940,272	3,557,336	3,605,820	3,962,004	5,441,582	5,148,542	5,531,650	4,988,268
Public Safety	6,624,180	7,014,723	7,407,531	7,677,426	8,030,234	8,730,712	8,844,067	9,170,586	9,358,289	9,505,403
Capital Outlay	103,249	4,457	268,034	292,742	1,981,850	736,315	1,723,775	10,006,820	10,375,082	23,131
Debt Service										
Principal	155,000	7,335,000	-	-	-	-	-	-	230,000	243,625
Interest	359,065	351,590	-	-	-	-	-	494,561	427,436	422,842
Other Charges										
Total Expenditures	17,845,001	25,819,608	17,539,088	19,092,514	24,682,562	22,816,036	25,881,743	34,367,924	36,414,898	27,301,192
Excess of Revenues over Expeditures	124,821	(6,179,107)	1,995,241	1,515,513	(463,955)	2,994,027	1,895,632	(9,154,123)	(12,110,397)	3,679,447
Other Financing Sources (Uses)										
Transfers In	2,284,326	9,422,668	1,209,782	2,040,859	3,517,923	2,548,103	3,708,774	13,309,198	14,573,345	6,235,970
Transfers Out	(2,284,326)	(9,422,668)	(1,209,782)	(2,040,859)	(3,517,923)	(2,548,103)	(3,708,774)	(13,309,198)	(14,573,345)	(6,235,970)
Bonds Issued**	-	-	-	-			1,211,194	12,006,870	-	23,131
Total Other Financing Sources (Uses)	-	-	-	-	-	-	1,211,194	12,006,870	-	23,131
Net Change in Fund Bal.	$ 124,821	$ (6,179,107)	$ 1,995,241	$ 1,515,513	$ (463,955)	$ 2,994,027	$ 3,106,826	$ 2,852,747	$ (12,110,397)	$ 3,702,578
Debt Service as a % of Noncapital Expenditures	2.90%	29.78%	0.00%	0.00%	0.00%	0.00%	0.00%	2.03%	2.52%	2.44%



** Fiscal Year 2013-14 debt service includes payoff of the City Hall COP bond.*

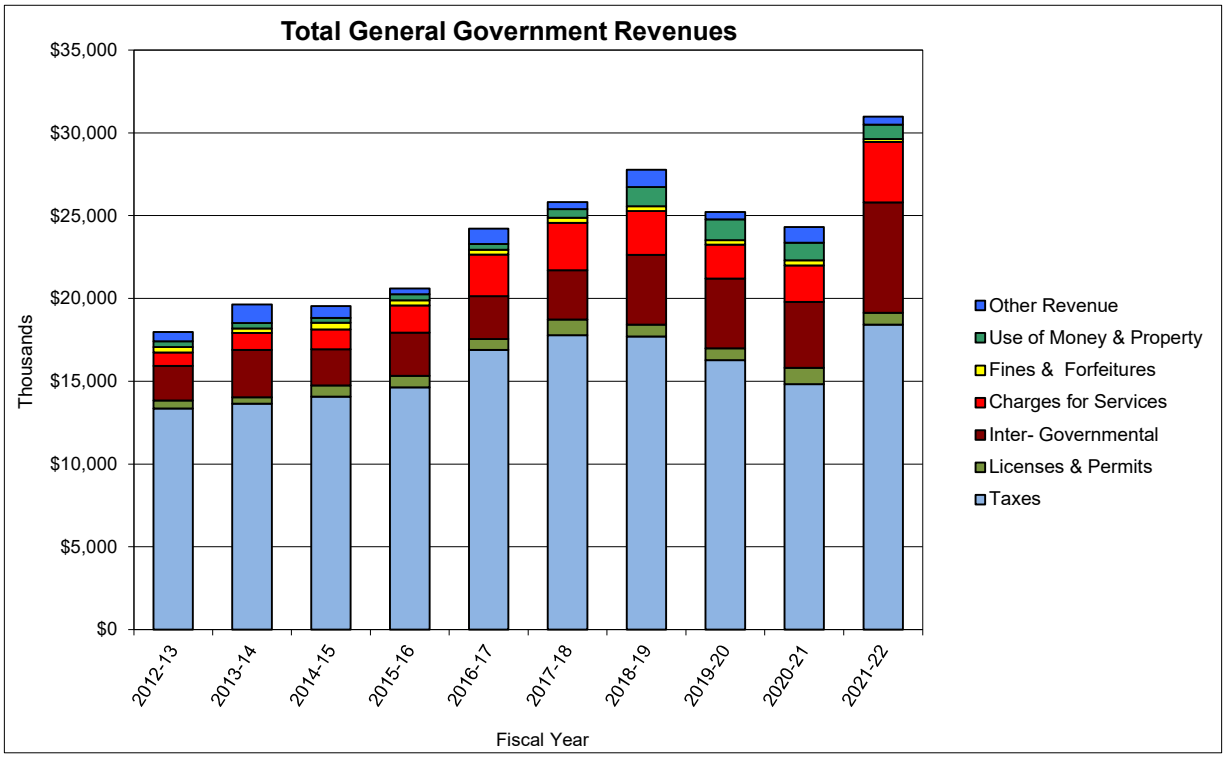
***In anticipation of the issuance of tax-exempt obligations for the Aliso Viejo Ranch project, the City Council passed a reimbursement resolution on February 20, 2019. The resolution would allow the City to reimburse itself for expenditures relating to the Aliso Viejo Ranch Project. On August 13, 2019, the City issued $12,250,000 of tax-exempt Certificates of Participation to provide financing for the construction of the Aliso Viejo Ranch.*

Source: City Finance Department

CITY OF ALISO VIEJO

GENERAL GOVERNMENT - REVENUES BY SOURCE
LAST TEN FISCAL YEARS

Fiscal Year	Taxes	Licenses & Permits	Inter-Governmental	Charges for Services	Fines & Forfeitures	Use of Money & Property	Other Revenue	Total
2012-13	$ 13,348,264	$ 482,730	$ 2,090,978	$ 817,633	$ 327,174	$ 342,103	$ 560,940	$ 17,969,822
2013-14	13,648,082	377,459	2,858,224	1,029,005	271,644	332,172	1,123,915	19,640,501
2014-15	14,064,937	676,218	2,189,004	1,190,138	415,671	288,325	710,036	19,534,329
2015-16	14,629,530	694,054	2,617,535	1,639,479	312,400	358,917	356,112	20,608,027
2016-17	16,884,140	664,202	2,585,675	2,519,225	282,322	359,023	924,020	24,218,607
2017-18	17,777,707	957,209	2,963,077	2,864,619	300,988	524,729	421,734	25,810,063
2018-19	17,704,139	706,763	4,218,802	2,639,775	307,513	1,152,130	1,048,252	27,777,374
2019-20	16,270,976	719,720	4,208,995	2,047,978	275,229	1,258,109	432,794	25,213,801
2020-21	14,823,926	976,781	3,987,463	2,198,864	310,419	1,068,212	938,836	24,304,501
2021-22	18,420,699	714,168	6,674,078	3,636,265	173,133	867,839	494,457	30,980,639



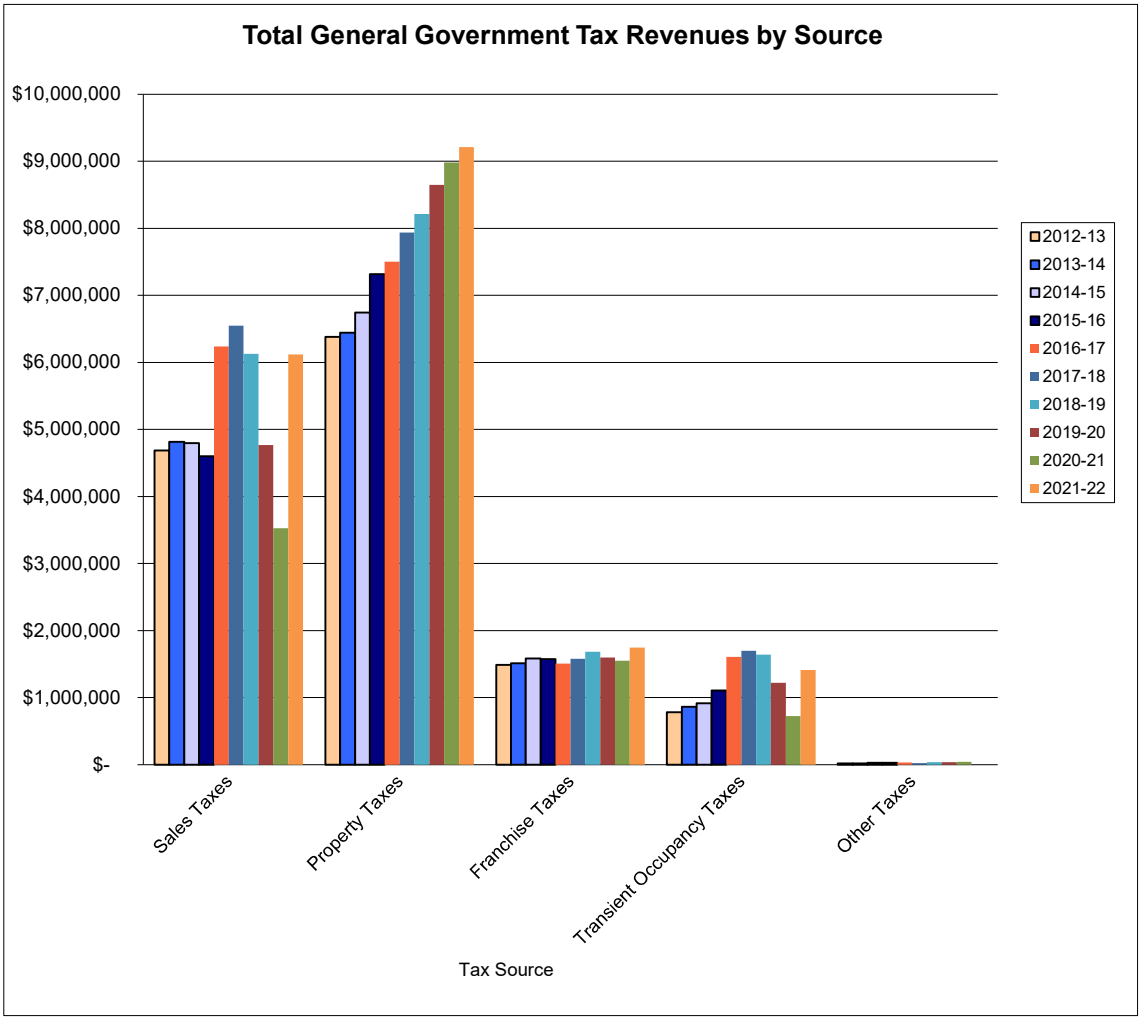
*** Includes General and Special Revenue Funds.*

Source: City Finance Department

CITY OF ALISO VIEJO

GENERAL GOVERNMENT - TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS

Fiscal Year	Sales Taxes	Property Taxes	Franchise Taxes	Transient Occupancy Taxes	Other Taxes	Total
2012-13	$ 4,685,598	$ 6,379,228	$ 1,487,395	$ 780,075	$ 15,968	$ 13,348,264
2013-14	4,814,560	6,441,021	1,511,450	862,294	18,756	13,648,081
2014-15	4,795,433	6,741,164	1,584,358	916,286	27,696	14,064,937
2015-16	4,601,042	7,317,139	1,573,339	1,108,102	29,908	14,629,530
2016-17	6,236,832	7,503,432	1,507,041	1,606,165	30,670	16,884,140
2017-18	6,545,732	7,936,613	1,577,213	1,696,598	21,551	17,777,707
2018-19	6,128,143	8,211,394	1,685,807	1,640,628	38,167	17,704,139
2019-20	4,765,921	8,647,685	1,598,246	1,220,997	38,127	16,270,976
2020-21	3,524,908	8,981,521	1,552,231	723,599	41,577	14,823,836
2021-22	6,117,932	9,211,738	1,744,239	1,413,074	-	18,486,983



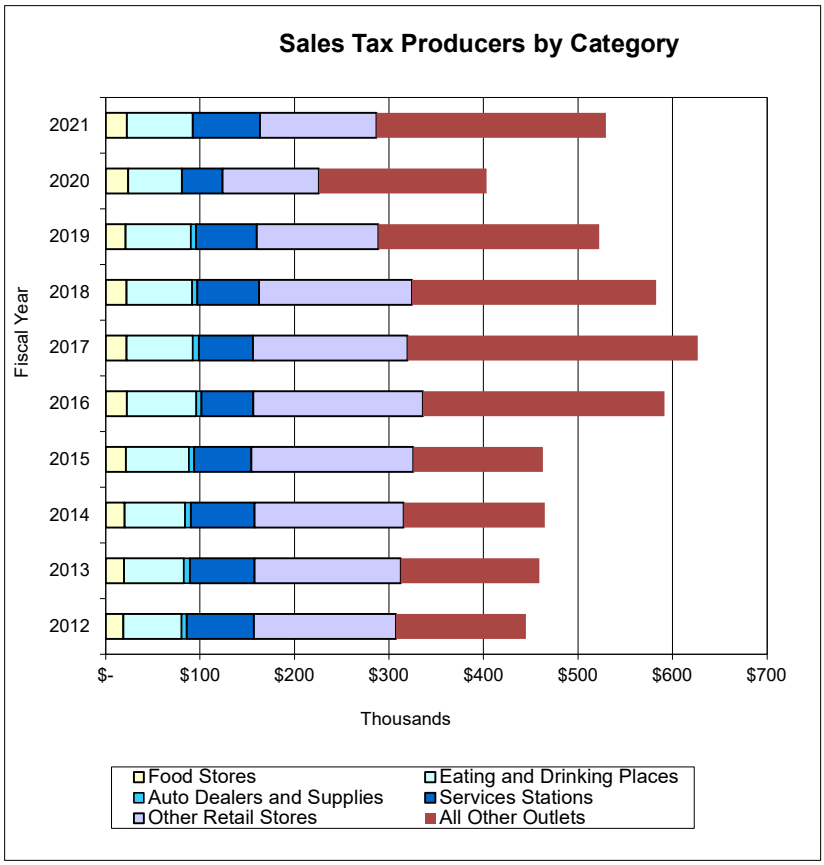
Source: City Finance Department

CITY OF ALISO VIEJO

TAXABLE SALES TAX PRODUCERS BY CATEGORY (IN THOUSANDS)
LAST TEN CALENDAR YEARS
ADJUSTED FOR ECONOMIC DATA

	2012	2013	2014	2015	2016
Food Stores	$ 18,951	$ 19,427	$ 20,207	$ 21,587	$ 22,672
Eating and Drinking Places	61,591	63,636	64,117	66,766	73,322
Auto Dealers and Supplies	6,074	6,193	5,581	6,136	6,132
Services Stations	71,050	68,668	67,240	60,348	55,131
Other Retail Stores	150,222	154,642	157,732	171,341	179,247
All Other Outlets	137,390	146,720	149,466	137,276	255,630
Total	$ 445,278	$ 459,286	$ 464,343	$ 463,454	$ 592,134

	2017	2018	2019	2020	2021
Food Stores	$ 22,453	$ 22,417	$ 21,367	$ 23,954	$ 22,567
Eating and Drinking Places	70,005	69,414	69,100	57,032	69,754
Auto Dealers and Supplies	5,545	5,421	6,521	5,329	5,281
Services Stations	57,190	65,193	64,494	42,939	71,162
Other Retail Stores	163,600	162,082	128,486	102,006	123,125
All Other Outlets	306,885	258,170	233,582	177,317	243,052
Total	$ 625,678	$ 582,697	$ 523,550	$ 408,577	$ 534,941

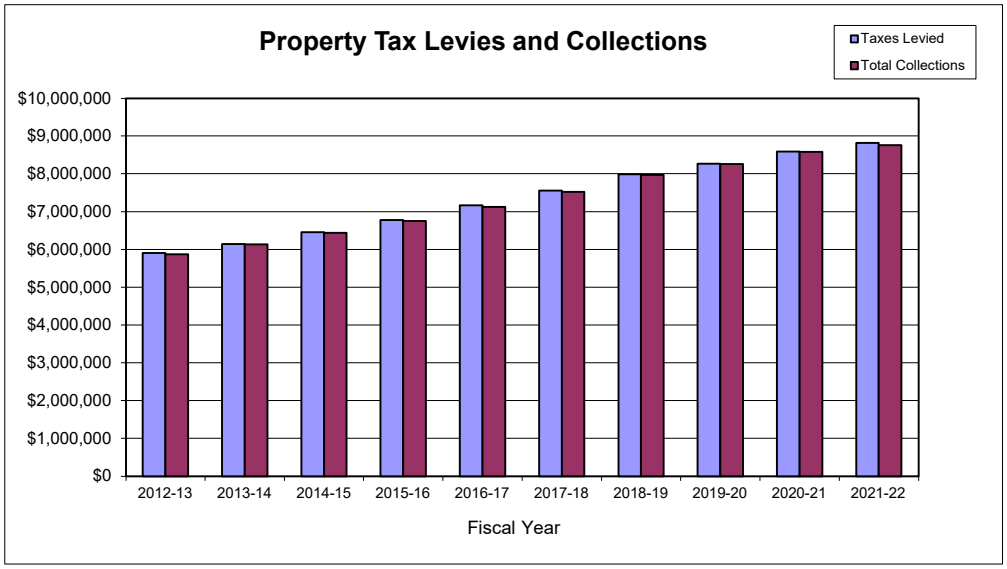


Source: State Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office, The HdL Companies

CITY OF ALISO VIEJO

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years [2]	Total Levy Collections to Date [3]	
		Amount	Percent of Levy		Amount	Percent of Levy
2012-13[1]	$ 5,902,705	$ 5,830,184	98.77%	$ 37,843	$ 5,868,027	99.41%
2013-14[1]	6,139,991	6,109,976	99.51%	26,570	6,136,546	99.94%
2014-15[1]	6,453,445	6,412,710	99.37%	23,671	6,436,381	99.74%
2015-16[1]	6,778,670	6,724,355	99.20%	22,577	6,746,932	99.53%
2016-17[1]	7,167,823	7,103,256	99.10%	21,428	7,124,684	99.40%
2017-18	7,559,194	7,499,294	99.21%	25,595	7,524,890	99.55%
2018-19	7,985,095	7,948,958	99.55%	19,426	7,968,384	99.79%
2019-20	8,269,551	8,233,770	99.57%	20,806	8,254,576	99.82%
2020-21	8,585,769	8,549,014	99.57%	28,004	8,577,018	99.90%
2021-22	8,818,634	8,733,020	99.03%	28,433	8,761,453	99.35%



[1] *Includes amounts received for Property Tax-In Lieu of VLF*

[2] *The column includes the total amount of delinquent taxes collected in each fiscal year. The Orange County Auditor-Controller tax ledger does not provide detailed information regarding the levy year to which delinquent tax collections pertain.*

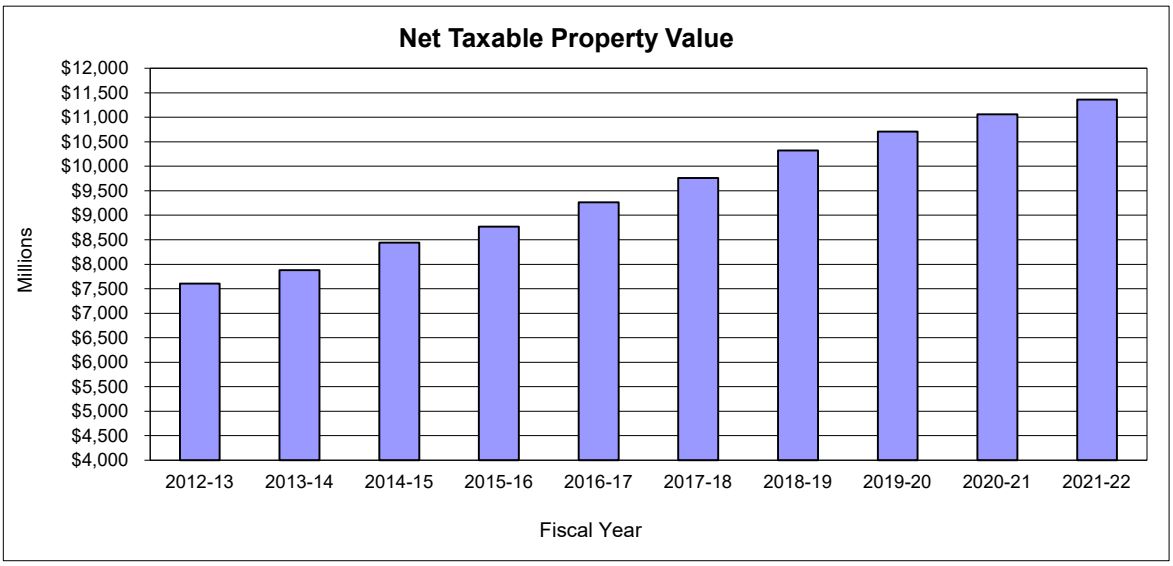
[3] *Total Levy Collections may exceed 100% due to prior years delinquent taxes and delinquent tax penalties collected.*

Source: Orange County Auditor/Controller.

CITY OF ALISO VIEJO

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Secured Gross Value	Unsecured Gross Value	Nonunitary Utilities	Exemptions	Total	Percentage Increase	Total Direct Rate Applied
2011-12	$ 7,553,096,782	$ 310,902,332	$ -	$ 352,590,770	$ 7,511,408,344	0.69%	0.02174
2012-13	7,643,633,146	290,218,553	-	328,327,398	7,605,524,301	1.25%	0.02167
2013-14	7,889,773,458	332,701,593	-	344,663,043	7,877,812,008	3.58%	0.02166
2014-15	8,449,701,616	320,520,081	-	329,481,251	8,440,740,446	7.15%	0.02165
2015-16	8,821,939,196	306,239,139	-	362,214,100	8,765,964,235	3.85%	0.02165
2016-17	9,298,401,724	305,313,282	-	341,610,276	9,262,104,730	5.66%	0.02165
2017-18	9,788,791,533	339,021,986	-	370,210,705	9,757,602,814	5.35%	0.02170
2018-19	10,497,372,155	280,375,081	-	457,069,555	10,320,677,681	5.77%	0.02163
2019-20	10,902,480,454	290,597,292	-	486,424,453	10,706,653,293	3.74%	0.02165
2020-21	11,227,375,357	335,321,001	-	504,713,951	11,057,982,407	3.28%	0.02168
2021-22	11,546,139,848	349,456,510	-	537,926,777	11,357,669,581	2.71%	0.02167



Source: The HDL Companies

CITY OF ALISO VIEJO

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(RATE PER $100 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

	Fiscal Years									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
City Direct Rates										
City's Share of 1% Levy per Prop 13[1]	0.02134	0.02134	0.02134	0.02134	0.02134	0.02134	0.02134	0.02134	0.02134	0.02134
Total City Direct Rate [2]	0.02167	0.02166	0.02165	0.02165	0.02165	0.02170	0.02163	0.02165	0.02165	0.02167
Overlapping Rates										
Basic Levy[3]	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Capistrano Union	0.01171	0.00972	0.00900	0.00845	0.00843	0.00800	0.00786	0.00745	0.00756	0.00727
Laguna Beach Unified	0.01694	0.01567	0.01461	0.01396	0.01371	0.01287	0.01285	0.01266	0.01012	0.01018
Saddleback Valley Unified	0.03265	0.03207	0.00350	0.03008	0.02688	0.02365	0.02392	0.02295	0.02336	0.02200
Moulton Niguel Water District	0.13840	0.12977	0.08600	0.09041	0.00815	0.00000	0.00000	0.00000	0.00000	0.00000
Metropolitan Water District	0.00350	0.00350	0.02806	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350
Total Overlapping Rates[4]	1.20320	1.19073	1.14117	1.14640	1.06067	1.04802	1.04813	1.04656	1.04454	1.04295
Total Direct & Overlapping Tax Rates	1.22487	1.21239	1.16282	1.16805	1.08232	1.06972	1.06976	1.06821	1.06619	1.06462

[1] City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the city. ERAF general fund tax shifts may not be included in tax ratio figues.

[2] Total Direct Rate is the weighted average of all individual direct rates applied to by the government preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.

[3] In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

[4] Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.

Source: The HDL Companies, Orange County Assessor

CITY OF ALISO VIEJO

PRINCIPAL PROPERTY TAXPAYERS
JUNE 30, 2022 AND 10 YEARS AGO

2021-22

Taxpayer	Primary Use	Assessed Valuation	Percentage of Total Assessed Valuation
Moritz Associates LLC	Residential	$ 214,440,422	1.89%
Barcelona LLC	Residential	188,707,570	1.66%
Enterprise Office Owner	Commercial	165,035,028	1.45%
Vantis Multifamily LLC	Residential	157,841,890	1.39%
Microventon, Inc	Commercial	146,609,699	1.29%
City Lights-Aliso Viejo LLC	Residential	125,888,928	1.11%
Summit Office LLC	Commercial	120,568,003	1.06%
Sequoia Equities	Residential	89,728,852	0.79%
PLC 3 LP	Residential	87,876,110	0.77%
20 30 Enterprise JV LLC	Commercial	86,890,960	0.77%
Top Ten Totals		$ 1,383,587,462	12.18%

2012-13

Taxpayer	Primary Use	Assessed Valuation	Percentage of Total Assessed Valuation
Sequoia Equities	Residential	$ 140,259,368	1.84%
City Lights - Aliso Viejo LLC	Residential	108,162,157	1.42%
Moritz Associates LLC	Residential	107,738,690	1.42%
Barcelona LLC	Residential	92,827,869	1.22%
RREEF America Reit II Corporation	Commercial	92,442,600	1.22%
Qlogic Corporation	Commerical	75,954,534	1.00%
Aliso Viejo Office Partners Holding Co.	Commerical	75,804,000	1.00%
OC SD Holdings LLC	Residential	65,969,917	0.87%
Aliso - Holly Oaks Partners LP	Residential	61,667,126	0.81%
Aliso Viejo RP-V1 LLC	Commerical	58,463,037	0.77%
Top Ten Totals		$ 879,289,298	11.57%

Source: The HDL Companies
Orange County Assessor

CITY OF ALISO VIEJO

RATIOS OF NET DIRECT GENERAL OBLIGATION DEBT TO ASSESSED VALUE AND NET GENERAL OBLIGATION DEBT PER CAPITA
LAST TEN FISCAL YEARS

Fiscal Year	Net Direct General Obligation Debt	Assessed Value	Percentage of General Obligation Debt to Assessed Value	Population	Percentage of Personal Income	Net General Obligation Debt per Capita
2012-13	$ 7,335,000	$ 7,605,524,301	0.096%	49,477	0.35%	148.25
2013-14	-	7,877,812,008	0.000%	49,951	-	-
2014-15	-	8,440,740,446	0.000%	50,509	-	-
2015-16	-	8,765,964,235	0.000%	50,509	-	-
2016-17	-	9,262,104,730	0.000%	50,312	-	-
2017-18	-	9,757,602,814	0.000%	51,950	-	-
2018-19**	-	10,320,677,681	0.000%	51,372	-	-
2019-20	-	10,706,653,293	0.000%	50,044	-	-
2020-21	-	11,057,982,407	0.000%	49,813	-	-
2021-22	-	11,350,064,655	0.000%	50,782	-	-

Ratios to Assessed Valuation:	
Total Overlapping Tax and Assessment Debt	0.26%
Total Direct Debt	**0.10%**
Gross Combined Total Debt	0.58%
Net Combined Total Debt	0.58%

*** Subsequent Event: On August 13, 2019 the City issued $12,250,000 of tax-exempt Certificates of Participation to provide financing for the construction of the Aliso Viejo Ranch. This debt will be refelected in the FY 2019-20 financial report.*

Source: California Municipal Statistics, Inc
HDL Coren & Cone

CITY OF ALISO VIEJO

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
JUNE 30, 2022

2021-2022 Assessed Valuations $ 11,357,669,581

OVERLAPPING TAX AND ASSESSMENT DEBT:	Total Debt 6/30/22	% Applicable (1)	Debt 6/30/22
Metropolitan Water District	$ 26,830,088	0.335%	$ 67,586
Capistrano USD School Facilities Improvement District No 1	16,013,342	0.772%	100,478
Laguna Beach Unified School District,	15,920,024	1.668%	234,104
Saddleback Valley Unified School District	99,864,969	0.477%	439,031
City of Aliso Viejo Community Facilities Disctrict No. 2005-01	28,950,000	100.000%	28,240,000
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			29,081,199
OVERLAPPING GENERAL FUND DEBT:			
Orange County General Fund Obligations	208,914,523	1.666%	6,362,204
Orange County Pension Obligation Bonds	116,492,175	1.666%	2,019,192
Orange County Board of Education Certificates of Participation	12,929,994	1.666%	205,085
Capistrano Unified School District Certificates of Participation	25,160,002	10.477%	2,440,617
Moulton-Niguel Water District Certificates of Participation	55,179,999	26.699%	14,175,834
TOTAL NET DIRECT OVERLAPPING GENERAL FUND DEBT			25,202,932
TOTAL NET OVERLAPPING DEBT			**54,284,131**
DIRECT GENERAL FUND DEBT:			
City of Aliso Viejo**	12,020,000	100.000%	11,785,000
TOTAL DIRECT DEBT			**12,020,000**
GROSS COMBINED TOTAL DEBT			66,069,131 (2)
NET COMBINED TOTAL DEBT			**$ 66,304,131**

(1) Percentage of overlapping agency's assesed valuation located within boundries of the city.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortage revenue and non-bonded capital lease obligations.

Ratios to Assessed Valuation:	
Total Overlapping Tax and Assessment Debt	0.26%
Total Direct Debt	**0.10%**
Gross Combined Total Debt	0.58%
Net Combined Total Debt	0.58%

*** Subsequent Event: On August 13, 2019 the City issued $12,250,000 of tax-exempt Certificates of Participation to provide financing for the construction of the Aliso Viejo Ranch. This debt will be refelected in the FY 2019-20 financial report.*

Source: California Municipal Statistics, Inc

CITY OF ALISO VIEJO

LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS

Fiscal Years	Legal Debt Margin
2012-13	277,872,161
2013-14	296,030,537
2014-15	316,527,767
2015-16	328,567,264
2016-17	347,328,927
2017-18	365,910,106
2018-19	387,025,413
2019-20	388,081,390
2020-21	402,654,340
2021-22	414,127,609

Computation Of Legal Debt Margin for Fiscal Year 2021-22

Assessed Valuations:		
Assessed Value	$	11,562,696,358
Add Back: Exempt Property		(504,713,951)
Total Assessed Value	$	11,057,982,407
Legal Debt Margin:		
Debt limitations-3.75% of Total Assessed Value*	$	414,674,340
Amount of Debt Applicable to Limit**		12,020,000
Legal Debt Margin	$	402,654,340

Note: The general laws of the State of California for muncipalities provide for a legal debt limit of 15% of grossed assessed valuation. However, this provision was enacted when assessed valuation was established based on 25% of market value. Effective with fiscal year 1981-82, taxable property is assessed at 100% of market value. Although the debt limit provision has not been amended by the State since this change, the percentage has been proportionately modified to 3.75% for the purpose of this calculation for consistency with the original intent of the State's debt limit.

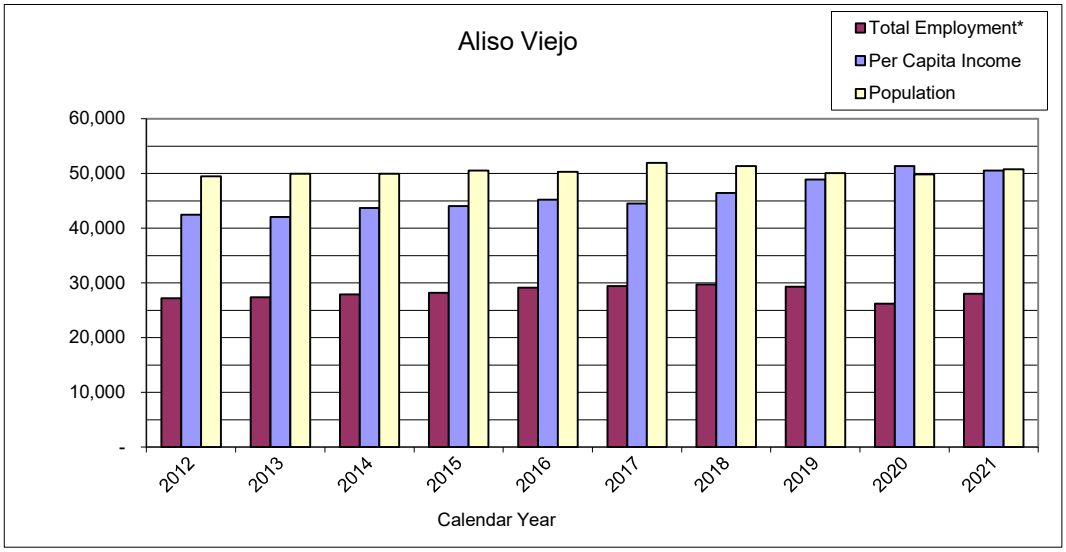
*** Subsequent Event: On August 13, 2019 the City issued $12,250,000 of tax-exempt Certificates of Participation to provide financing for the construction of the Aliso Viejo Ranch. This debt will be refelected in the FY 2019-20 financial report.*

Source: City Finance Department
The HDL Companies

CITY OF ALISO VIEJO

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Calendar Year	Population	Total Income	Per Capita Income	Total Employment*	Employment Growth Rate*	Unemployment Rate*
2012	49,477	$ 2,100,001,788	$ 42,444	27,200	2.64%	5.60%
2013	49,951	2,100,839,000	42,058	27,400	0.74%	4.50%
2014	49,939	2,181,535,000	43,684	27,900	1.82%	3.60%
2015	50,509	2,223,991,000	44,032	28,200	1.08%	3.10%
2016	50,312	2,274,460,000	45,207	29,100	3.19%	3.30%
2017	51,950	2,311,366,000	44,492	29,400	1.03%	2.70%
2018	51,372	2,385,153,000	46,429	29,700	1.02%	2.60%
2019	50,044	2,447,088,000	48,899	29,300	-1.35%	2.30%
2020	49,813	2,559,352,000	51,379	26,200	-10.58%	6.60%
2021	50,782	2,566,572,000	50,541	28,000	6.87%	3.40%



** Calendar year unemployment data uses December year-over-year figures.*
Source: California Department of Finance, California Employment Development Department, The HDL Companies

CITY OF ALISO VIEJO

PRINCIPAL EMPLOYERS
JUNE 20, 2022 AND 10 YEARS AGO

2022

Employer	Number of Employees	Percent of Total Employment
MicroVention	1700	6.87%
United Parcel Service	1200	4.85%
Ambry Genetics	705	2.85%
Vylla	607	2.45%
Fluor Corporation	606	2.45%
Orange County Sheriffs Department	450	1.82%
UST	349	1.41%
NeoGenomics Laboratories	300	1.21%
Metagenics	280	1.13%
Alcon Lensx Inc	201	0.81%
Total Top Employers	**6,398**	**25.87%**
Total Employees in City	**24,735**	

2011

Employer	Number of Employees	Percent of Total Employment
United Parcel Service	1,000	5.67%
Pacific Life Insurance	811	4.59%
Capistrano Unified School District	679	3.85%
Fluor Corporation	630	3.57%
Quest Software	600	3.40%
Qlogic	490	2.78%
Renaissance-Aliso Viejo	259	1.47%
Pepsi Bottling Group Inc	215	1.22%
Smith Micro Software Inc	200	1.13%
Merit Property Management	199	1.13%
Total Top Employers	**5,083**	**28.80%**
Total Employees in City	**17,650**	

Data was not available in 2012
Source: City Finance Department

CITY OF ALISO VIEJO

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Public Safety:										
Part I Crimes	458	340	308	395	440	438	488	460	415	424
Public Works:										
Streets Resurfaced	42	63	53	38	29	1	57	1	103	47
Building Permits Issued	1,328	1,486	2,093	2,455	2,129	2,225	1,711	1,754	1,755	2,105
Plan Checks Performed	218	185	219	275	205	184	197	234	309	686
Community Services***:										
Recreation										
Contract Classes	-	-	-	-	-	145	452	999	283	934
Contract Class Participants	-	-	-	-	-	443	1,559	2,239	1,599	4,352
Events										
City Events	8	8	8	7	7	16	26	8	9	17
City Sponsored Events	6	6	6	6	7	26	27	5	2	8
Senior Programs										
Senior Mobility Program Rides	-	-	-	1,796	2,141	2,419	2,102	2,340	-	345
Finance										
Accounts Payable										
AP Line Items Entered	3,647	3,344	3,745	4,041	4,368	4,454	4,791	4,964	4,855	5,947
Invoices Processed	2,412	2,309	2,560	2,852	3,012	3,069	3,271	3,216	3,166	3,698
Payments Processed	1,712	1,715	2,148	2,220	2,257	2,284	2,474	2,330	2,338	2,699
Payroll										
Payroll Checks Issued	490	524	547	622	627	635	748	834	912	1,069

***The Community Services department was restructured in FY 2017-18

Source: City Public Works Department, Community Services Department, Orange

CITY OF ALISO VIEJO

FULL-TIME AND PART-TIME CITY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
General Government [1]	8	9	9	10	10	10	10	11.3	12.9	13.3
Public Safety	Police Services were contracted through the Orange County Sheriffs Department									0.5
Public Works**	-	-	-	1	1	1	2	3	3	3
Community Services***	-	-	-	-	-	2.6	5.5	7.3	12.1	12.0
Community Development	7	7	7.4	7.4	7.4	5.0	5	6	5.5	7
Total	15.0	16.0	16.4	18.4	18.4	18.6	22.5	27.6	33.5	35.3

[1] *Attorney Services were contracted through Best, Best, & Krieger LLP and are not included.*

** Full Time Equivalent*

**Public Works Engineering and Building & Safety were contracted through Charles Abbott and Associates

*** Community Services Department was restructured in FY 17-18

Source: City Finance Department

CITY OF ALISO VIEJO

CAPITAL ASSETS STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
General Government										
City Hall	1	1	1	1	1	1	1	1	1	1
Public Works:										
Streets (Miles)	73	73	73	73	73	73	73	73	73	73
Street Lights **	1,263	1,299	1,410	1,410	1,410	1,410	1,411	1,407	1,407	1,407
Traffic Signals **	42	42	47	47	47	47	47	48	48	48
Parks & Recreation:										
Parks ***	2	2	2	2	2	2	2	2	2	2
Community Facilities	4	4	4	4	4	4	4	4	4	4
Community Development										
Housing	-	-	-	-	-	-	-	-	-	1

*** The City leases 1,230 of the streetlights and shares 3 of the traffic signals with neighboring cities.*
**** Aliso Viejo Community Association independently owns and manages 21 parks in Aliso Viejo.*

Source: City Public Works Department

CITY OF ALISO VIEJO

SCHEDULE OF INSURANCE
JUNE 30, 2022

Type of Coverage	Limits/Deductibles	Insurer	Policy period
General and Automobile Liability:			
General Liability, Automobile Liability, Bodily Injury, Property Damage, Personal Injury.	$50,000,000 combined single limit per occurrence	California Joint Powers Insurance Authority.	07/01/21 - 07/01/22
Pollution & Remediation Legal Liability:			
Scheduled property, streets, storm drains, approved underground tanks & non-owned disposal sites.	$5,000,000 per member $250,000 per occurrence self-insured retention.	Self Insured Program/ California Joint Powers Insurance Authority.	07/01/21 - 07/01/22
Property:			
All-Risk, including buildings, contents, garaged vehicles, contractor's equipment, fine arts, rental income and other miscellaneous extensions of coverage.	Limit $500,000,000 per occurrence $10,000 deductible per occurrence	Self Insured Program/ California Joint Powers Insurance Authority.	07/01/21 - 07/01/22
Crime:			
Public Employee Blanket Fidelity Bond-			
Faithful Performance Bond Coverage 'O'	$1,000,000 limit per member, deductible of $2,500 per occurrence	Alliant Insurance Services, Inc.	07/01/21 - 07/01/22
Depositor's Forgery Coverage 'B'	$1,000,000 limit per member, deductible of $2,500 per occurrence	Alliant Insurance Services, Inc.	07/01/21 - 07/01/22
Crime- Money & Securities Coverage 'C'	$1,000,000 limit per member, deductible of $2,500 per occurrence	Alliant Insurance Services, Inc.	07/01/21 - 07/01/22
Computer Fraud Coverage 'F'	$1,000,000 limit per member, deductible of $2,500 per occurrence	Alliant Insurance Services, Inc.	07/01/21 - 07/01/22
Worker's Compensation:			
Work related injury/illness claims for temporary and permanent disability, and Employer's Liability	California Statutory Benefits for workers' compensation $10,000,000 per occurrence for Employer's Liability	Self Insured Program/ California Joint Powers Insurance Authority.	07/01/21 - 07/01/22
Special Events:			
Tenants/Users for Property damage/bodily injury	$1,000,000 per occurrence, $1,000,000 aggregate per event. $5,000 medical expense limit.	Alliant Insurance Services, Inc.	07/01/21 - 07/01/22

Source: City Finance Department

CITY OF ALISO VIEJO

MISCELLANEOUS STATISTICAL INFORMATION
JUNE 30, 2022

Date of Incorporation	July 01, 2001
Form of Government	Council-Manager
Area	7 Square miles
Miles of Streets	72.1 miles
Miles of Sidewalks	147 miles
Employees	35.3
Public Safety	
Police Department	Contracted with the Orange County Sheriff's Department
Fire Department	Contracted with the Orange County Fire Authority
Recreation & Culture:	
Parks - Community & Neighborhood	23
Park Acreage (developed)	260 Acres
Education:	
Elementary Schools (K-6)	4
Middle Schools (6-8)	2
High Schools (9-12)	1
Charter Schools	1
Private Schools	10
Universities	1

*Source: State of California, Department of Finance

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December 15, 2022

To the Honorable Mayor and Members of the City Council
City of Aliso Viejo, California

We have audited the financial statements of City of Aliso Viejo (the City) as of and for the year ended June 30, 2022, and have issued our report thereon dated December 15, 2022. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 26, 2022, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the entity solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm have complied with all relevant ethical requirements regarding independence.

Significant Risks

We have identified the possibility of the following significant risks:

Management's override of internal controls over financial reporting – Management override of internal controls is the intervention by management in handling financial information and making decisions contrary to internal control policy.

Revenue recognition – Revenue recognition is a generally accepted accounting principle that refers to the conditions under which an entity can recognize a transaction as revenue. Auditing standards indicate that recognizing revenue is a presumed fraud risk and usually classified as a significant risk in most audits.

These significant risks are presumptive in most audits and merit attention by the auditors due to the direct impact over financial reporting and internal control processes. Although identified as significant risks, we noted no matters of management override of controls or deviations from generally accepted accounting principles which caused us to modify our audit procedures or any related matters which are required to be communicated to those charged with governance due to these identified risks.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in Note 1 to the financial statements. As described in Note 1 to the financial statements, during the year, the entity changed its method of accounting for leases by adopted Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of capital asset depreciation is based on historical estimates of each capitalized item's useful life. We evaluated the key factors and assumptions used to develop the estimated useful lives in determining that it is reasonable in relation to the financial statements taken as a whole.

The estimate of the net pension liability and net OPEB liability are based on actuarial reports provided by independent actuaries. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of leases receivable, deferred inflows of resources related to leases, and lease amortization is based on present value calculations using certain terms and assumptions in the lease agreements in accordance with generally accepted accounting principles. Management's estimate of lease liabilities, right-to-use assets, and asset amortization is based on present value calculations using certain terms and assumptions in the lease agreements and estimated useful lives of assets in accordance with generally accepted accounting principles. We evaluated the key factors and assumptions used to develop the lease related estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City's financial statements relate to:

The disclosure of accumulated depreciation in notes to the basic financial statements is based on estimated useful lives which could differ from actual useful lives of each capitalized item.

The disclosure of the net pension liability and related pension information in the notes to the basic financial statements is based on actuarial assumptions which will differ from actual amounts in future periods. The information disclosed is based on actuarial information.

The disclosure of the postemployment benefits other than pensions (OPEB) in the notes to the basic financial statements identifies the annual OPEB cost and the funded status of the actuarial accrued liability. The information disclosed is based on actuarial information.

The disclosure of leases receivable, deferred inflows of resources related to leases, lease amortization, leases liabilities, right-to-use assets, and asset amortization in the basic financial statements is based on certain terms and assumptions in the lease agreements which could differ from actual amounts.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated December 15, 2022.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditors.

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in City's annual report, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have:

> Read the information and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the City and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California

ALISO VIEJO
Live Life Inspired

MAYOR
Ross Chun

MAYOR PRO TEM
Richard Hurt

COUNCIL MEMBER
Tiffany Ackley

COUNCIL MEMBER
Dave Harrington

COUNCIL MEMBER
Mike Munzing

CITY MANAGER
David A. Doyle

CITY ATTORNEY
Scott C. Smith

CITY CLERK
Mitzi Ortiz, MMC

December 15, 2022

Rogers, Anderson, Malody & Scott, LLP
735 E Carnegie Dr. Suite 100
San Bernardino, CA 92408

This representation letter is provided in connection with your audit of the financial statements of the City of Aliso Viejo (the City) as of June 30, 2022 and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of the City in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of December 15, 2022:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated May 26, 2022, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.

- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
  - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
  - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
  - The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.

  - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- With respect to the nonattest service provided, we have performed the following:
  - Made all management decisions and performed all management functions;
  - Assigned a competent individual to oversee the services;
  - Evaluated the adequacy of the services performed;
  - Evaluated and accepted responsibility for the result of the service performed; and
  - Established and maintained internal controls, including monitoring ongoing activities.

Information Provided

- We have provided you with:
  - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
  - Additional information that you have requested from us for the purpose of the audit; and
  - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - Management;
  - Employees who have significant roles in internal control; or
  - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The City has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which the City is contingently liable.
- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best

estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.

- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
  - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
  - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
  - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
  - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- With respect to the supplementary information accompanying the financial statements:
  - We acknowledge our responsibility for the presentation of the supplementary information in accordance with generally accepted accounting principles in the United States of America.
  - We believe the supplementary information, including its form and content, is fairly presented in accordance with the applicable criteria.
  - The methods of measurement or presentation have not changed from those used in the prior period.
  - When the supplementary information is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.
  - We acknowledge our responsibility to include the auditor's report on the supplementary information in any document containing the supplementary information and that indicates the auditor reported on such supplementary information.
  - We acknowledge our responsibility to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented

with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.

- With respect to the required supplementary information accompanying the financial statements:
  - We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP.
  - We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with the applicable criteria.
  - The methods of measurement of presentation have not changed from those used in the prior period.
- We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefit liabilities and costs for financial accounting purposes are appropriate in the circumstances.

Ann Eifert
City of Aliso Viejo
Director of Financial Services

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditor's Report

To the Honorable Mayor and Members of the City Council
City of Aliso Viejo, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Aliso Viejo (the City) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 15, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
December 15, 2022

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Independent Accountant's Report on Agreed-Upon Procedures Applied to the Appropriations Limit Worksheet

Independent Accountant's Report

To the Honorable Mayor and City Council Members
City of Aliso Viejo, California

We have performed the procedures enumerated below to the accompanying Appropriations Limit Worksheet of the City of Aliso Viejo, California (the City) for the year ended June 30, 2022. The management of the City is responsible for the accompanying Appropriations Limit Worksheet.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting the requirements of Section 1.5 of Article XIII-B of the California Constitution. These procedures, which were suggested by the League of California Cities and presented in the publication entitled *Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution,* were performed solely to assist you in meeting the requirements. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. We obtained the completed worksheets and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned documents to those that were selected by a recorded vote of the City Council.

   Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit worksheet, we added last year's limit to total adjustments and agreed the resulting amount to this year's limit.

   Finding: No exceptions were noted as a result of our procedures.

3. We agreed the current year information presented in the accompanying Appropriations Limit Worksheet to the other documents referenced in number one above.

   Finding: No exceptions were noted as a result of our procedures.

4. We agreed the prior year appropriations limit presented in the accompanying Appropriations Limit Worksheet to the prior year appropriations limit adopted by the City Council during the prior year.

   Finding: No exceptions were noted as a result of our procedures.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on accompanying Appropriations Limit Worksheet for the year ended June 30, 2022. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City Council and management of the City of Aliso Viejo, California, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
December 15, 2022

CITY OF ALISO VIEJO
APPROPRIATIONS LIMIT COMPUTATION
2021 - 2022

		2021 – 2022
Per Capita Personal Income Change		5.73
Population Change County Population Growth		(0.84)
CPI Change Converted to a Ratio		1.0573
Population Change Converted to a Ratio		0.9916
Calculation of Growth Factor		1.0484
2020 – 2021 Limit	$45,974,884	
2021 – 2022 Appropriations Limit ($45,974,884 X 1.0484)	$48,200,927	

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Independent Accountant's Report

To the Honorable Mayor and Members of the City Council
City of Aliso Viejo, California

We have performed the procedures enumerated below on the Treasurer's Monthly Cash Statement for the month ended June 30, 2022 for compliance with the provisions of the California Government Code and with the City of Aliso Viejo's (the City) investment policy dated September 1, 2021. The City's management is responsible for the Treasurer's Monthly Cash Statement for the month ended June 30, 2022.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining whether Treasurer's Monthly Cash Statement for the month ended June 30, 2022 is in compliance with the provisions of the California Government Code and with the City's investment policy dated September 1, 2021. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. We obtained a copy of the City Treasurer's Report for June 30, 2022 and reconciled individual investments/deposits to supporting documentation obtained from City staff. We also traced total funds reported on the Treasurer's Report to the City's General Ledger at June 30, 2022.

   Finding: No exceptions were noted as a result of our procedures.

2. We compared the investments listed on the City Treasurer's Report for the month of June 30, 2022 to the type of investments authorized by the City's Investment Policy and Government Code Section 53601.

   Finding: No exceptions were noted as a result of our procedures.

3. We compared the market value of the investments listed on the Treasurer's Report for the month of June 30, 2022 to the City's copies of investment statements.

   Finding: No exceptions were noted as a result of our procedures.

4. We read the City Treasurer's Report for the month of June 30, 2022 to ascertain that it contains all the information/data required by Government Code Section 53646 and meets the timing requirements of Government Code Section 53646 as follows:

   a. Was submitted within 30 days following the end of the quarter

   b. Included the type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments, and monies held by the City

   c. Included those funds under management of contracted parties (fiscal agents, trustee, deferred compensation, plan administrators, etc.)

   d. Included market value (and source) as of the date of the report for all securities held by the City or under management of any outside party that is not also a local agency or the State of California Local Agency Investment Fund

   e. Stated compliance of the portfolio to the investment policy of the City

   f. Included a statement addressing the ability of the City to meet the pool's expenditure requirements for the next six months

   g. Included the most recent statements from the Local Agency Investment Fund in lieu of the information required by (b) and (d) above, for City investments that have been placed in those pools

   Finding: For step 4a, Auditor noted that the Treasurer’s report was approved by Council on the August 17, 2022 meeting. Per review of the City’s website, the meeting of August 3rd was canceled.

5. We compared the investments listed in the City Treasurer's Report for the month of June 30, 2022 to the prohibited investments listed in the City's Investment Policy and Government Code Section 53601.6.

   Finding: No exceptions were noted as a result of our procedures.

6. We calculated the totals (cost basis) for the investments listed in the City Treasurer's Report for the month of June 30, 2022 and compared those totals to the limitations imposed by the City's Investment Policy and Government Code Section 53601 for specified investment types.

   Finding: No exceptions were noted as a result of our procedures.

7. We agreed individual investment maturity dates listed on the City Treasurer's Report for the month of June 30, 2022 to the City's copies of the investment statements, to determine if they conformed to the maturity requirements of the City's Investment Policy and Government Code Section 53601.

   Finding: No exceptions were noted as a result of our procedures.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Treasurer's Monthly Cash Statement dated June 30, 2022. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures; other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City Council and management of the City of Aliso Viejo and is not intended to be and should not be used by anyone other than these specified parties.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
December 15, 2022

RESOLUTION NO. 2023-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, REAPPROPRIATING CERTAIN FISCAL YEAR 2021-22 FUND BALANCES AND AMENDING THE FISCAL YEAR 2022-23 BUDGET

WHEREAS, a review of the fiscal year 2021-22 operating and capital expenditures, and fund balances have been completed; and

WHEREAS, certain unexpended project balances as of June 30, 2022, require continuing appropriations to complete the projects; and

WHEREAS, it is necessary to amend the fiscal year 2022-23 budget to reflect the carryover of certain budget appropriations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALISO VIEJO AS FOLLOWS:

Section 1: That the 2022-23 Budget for the City of Aliso Viejo is hereby amended to include the following appropriations:

Fund	Project Description	Amount
General Fund	AV Ranch audio and visual equipment installation	$48,000
General Fund	AV Ranch design and construction of historic site exhibitions	$75,000
Federal Grants	Community Development Block Grant - CARES Act	$239,983
	Total	$362,983

PASSED, APPROVED AND ADOPTED this 18th day of January, 2023.

_____
Richard Hurt
Mayor

APPROVED AS TO FORM:

_____
Scott C. Smith, City Attorney

ATTEST:

_____
Mitzi Ortiz, MMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF ALISO VIEJO)

I, MITZI ORTIZ, City Clerk of the City of Aliso Viejo, California, DO HEREBY CERTIFY that the foregoing is the original of Resolution No. 2023-__ duly passed and adopted by the City Council of the City of Aliso Viejo at their regular meeting held on the 18th day of January, 2023, by the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

_____
MITZI ORTIZ, MMC
CITY CLERK

(SEAL)

City of Aliso Viejo
AGENDA ITEM

DATE: January 18, 2023

TO: Mayor and City Council

FROM: Ann Eifert, Director of Financial Services
Scott C. Smith, City Attorney

SUBJECT: RESOLUTION APPROVING THE ISSUANCE BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY OF THE PORTION OF REVENUE BONDS THE PROCEEDS OF WHICH ARE TO BE LOANED TO QCF/I, INC., A 501(c)(3) NONPROFIT HEALTHCARE ORGANIZATION, AND USED TO ACQUIRE THE EXISTING FACILITY LOCATED AT 200 FREEDOM LANE, ALISO, VIEJO, CALIFORNIA; AND APPROVING CERTAIN OTHER MATTERS RELATING THERETO

Recommended Action:

Adopt a Resolution approving the issuance by the California Municipal Finance Authority of the portion of revenue bonds the proceeds of which are to be loaned to QCF/I, Inc., a 501 (c)(3) nonprofit healthcare organization, and used to acquire the existing facility located at 200 Freedom Lane, Aliso, Viejo, California; and approving certain other matters relating thereto.

Fiscal Impact:

There will be no direct costs incurred by the City. Indirect costs incurred include staff time and attorney costs. California Municipal Finance Authority ("CMFA") through its issuance activities, shares a portion of the issuance fees it receives with its member. If the bonds are issued, the City will receive a portion of the fee paid to the issuer of the bonds to offset any staff or attorney costs incurred to coordinate the City Council approval.

Background:

QCF/I, Inc., a 501(c)(3) nonprofit healthcare organization (“QCF”), has requested that the California Municipal Finance Authority (the “Authority”) participate in the issuance of one or more series of revenue bonds (the “Bonds”), not more than $200,000,000 of which is allocable to the Aliso Viejo Hospital Project described below, the proceeds of which will be loaned to QCF in connection with QCF’s acquisition, construction, renovation, expansion, rehabilitation, remodeling, and/or equipping of several hospital facilities, including the existing Aliso Ridge Behavioral Health and to fund reserves,

interest on the Bonds and costs of issuing the Bonds (the portion of the Bonds allocable to the acquisition by QCF of Aliso Ridge Behavioral Health and related facilities and other related purposes is referred to as the "Aliso Viejo Hospital Project").

Solely for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and Section 4 of the Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the "Agreement"), among certain local agencies, including the City, and for no other purpose, the City Council has been requested by the Authority to approve the Aliso Viejo Hospital Project and the issuance by the Authority of the portion of the Bonds allocable to the Aliso Viejo Hospital Project.

QCF will own and operate the Aliso Viejo Hospital Project either directly or through a separate single-member limited liability company or companies. In all events, QCF will be the true beneficial party of interest of the Aliso Viejo Hospital Project because it will be the sole member of each such limited liability company, each of which is a disregarded entity for federal tax purposes.

Discussion:

On January 19, 2022, the City Council adopted a resolution approving the issuance of tax-exempt bonds by the Authority for the benefit of QCF to finance the Aliso Viejo Hospital Project. This approval will expire on January 19, 2023. The issuance of the bonds has been delayed beyond the expiration of the prior approval and the Authority is requesting the City Council approve the Aliso Viejo Hospital Project and the issuance of the bonds by the Authority once again.

In order to satisfy the requirements of Section 147(f) of the Code, a telephonic public hearing was held on December 23, 2022, relating to the Borrower and the proposed tax-exempt financing. No comments from the public were made at the public hearing.

Adoption of the attached resolution by the City Council would satisfy the requirements of Section 147(f) of the Code and Section 4 of the Agreement. The City shall have no obligation whatsoever to pay any principal, interest, fees or any other costs associated with the Authority's issuance of the Bonds for the financing of the Aliso Viejo Hospital Project or for any other purpose.

The adoption of this Resolution shall not obligate the City or any department thereof to (i) provide any financing for the Aliso Viejo Hospital Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, improvement, rehabilitation or operation of the Aliso Viejo Hospital Project; or (iii) make any contribution or advance any funds whatsoever to the Authority.

Attachment:

1. Resolution

RESOLUTION NO. 2023-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, APPROVING THE ISSUANCE BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY OF THE PORTION OF REVENUE BONDS THE PROCEEDS OF WHICH ARE TO BE LOANED TO QCF BEHAVIORAL HOSPITALS I, LLC FOR THE BENEFIT OF QCF/I, INC., A 501(c)(3) NONPROFIT HEALTHCARE ORGANIZATION, AND USED TO ACQUIRE THE EXISTING FACILITY LOCATED AT 200 FREEDOM LANE, ALISO, VIEJO, CALIFORNIA; AND APPROVING CERTAIN OTHER MATTERS RELATING THERETO

WHEREAS, Aliso Ridge Behavioral Health is an acute psychiatric hospital located in the City of Aliso Viejo (the "City"); and

WHEREAS, QCF Behavioral Hospitals, I LLC (the "Borrower") has requested that the California Municipal Finance Authority (the "Authority") participate in the issuance of one or more series of revenue bonds (the "Bonds"), not more than $200,000,000 of which is allocable to the Aliso Viejo Hospital Project described below, the proceeds of which will be loaned to the Borrower, the sole member of which is QCF/I, Inc., a 501(c)(3) nonprofit healthcare organization ("QCF") in connection with the acquisition, construction, expansion, rehabilitation, remodeling, renovation, and/or equipping of several hospital facilities, including the existing Aliso Ridge Behavioral Health and to fund reserves, interest on the Bonds and costs of issuing the Bonds (the portion of the Bonds allocable to the acquisition by QCF of Aliso Ridge Behavioral Health and related facilities and other related purposes is referred to as the "Aliso Viejo Hospital Project"); and

WHEREAS, on January 5, 2022, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the Authority, following notice duly given, held a toll-free telephonic public hearing regarding the issuance of the Bonds allocable, and, on January 19, 2022 after receiving a report from the Authority regarding the public hearing, the City Council approved the issuance by the Authority of the portion of the Bonds allocated to the Aliso Viejo Hospital Project; and

WHEREAS, the COVID-19 pandemic caused delays in licensing of two of the hospitals involved in the issuance of the Bonds, and the marketing and selling of the Bonds could not prudently commence until that licensing occurred and those two hospitals commenced operations; and

WHEREAS, the two hospitals have received their licenses and commenced operations, and the process to issue the Bonds is now proceeding, but the issuance will not occur prior to the one-year expiration of the prior City Council approval; and

WHEREAS, on December 23, 2022, the Authority held a new public hearing pursuant to Section 147(f) of the Code regarding the issuance of the Bonds, and the Authority has

requested that the City Council re-approve the issuance of the portion of the Bonds allocable to the Aliso Viejo Hospital Project Bonds; and

WHEREAS, solely for purposes of Section 147(f) of the Code and Section 4 of the Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the "CMFA Agreement"), among certain local agencies, including the City, and for no other purpose, the City Council has been requested by the Authority to approve the Aliso Viejo Hospital Project and the issuance by the Authority of the portion of the Bonds allocable to the Aliso Viejo Hospital Project; and

WHEREAS, the City Council understands that its actions in approving this Resolution do not obligate the City in any manner for payment of the principal, interest, fees or any other costs associated with the issuance of the Bonds, and said City Council expressly conditions its approval of this Resolution on that understanding;

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, AS FOLLOWS:

SECTION 1. Approval of the Bonds. The City Council hereby approves, solely for purposes of Section 147(f) of the Code and the Section 4 of the CMFA Agreement and for no other purpose, the Aliso Viejo Hospital Project and the issuance of the portion of the Bonds allocable to the Aliso Viejo Hospital Project.

SECTION 2. No Obligations. The City Council expressly conditions its approval of this Resolution on its understanding that the City shall have no obligation whatsoever to pay any principal, interest, fees or any other costs associated with the Authority's issuance of the Bonds for the financing of the Aliso Viejo Hospital Project or for any other purpose.

SECTION 3. No City Obligation. The adoption of this Resolution shall not obligate the City or any department thereof to (i) provide any financing for the Aliso Viejo Hospital Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, improvement, rehabilitation or operation of the Aliso Viejo Hospital Project; or (iii) make any contribution or advance any funds whatsoever to the Authority.

SECTION 4. Copy to Authority. The Clerk shall forward a certified copy of this Resolution to the Authority in care of its counsel:

Ronald E. Lee, Esq.
Jones Hall, APLC
475 Sansome Street, Suite 1700
San Francisco, CA 94111

SECTION 5. Effective Date. This Resolution shall take effect upon adoption.

PASSED, APPROVED AND ADOPTED this 18th day of January, 2023.

_____
Richard Hurt
Mayor

APPROVED AS TO FORM:

_____
Scott C. Smith, City Attorney

ATTEST:

_____
Mitzi Ortiz, MMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF ALISO VIEJO)

I, MITZI ORTIZ, City Clerk of the City of Aliso Viejo, California, DO HEREBY CERTIFY that the foregoing is the original of Resolution No. 2023-__ duly passed and adopted by the City Council of the City of Aliso Viejo at their regular meeting held on the 18th day of January, 2023, by the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

_____
MITZI ORTIZ, MMC
CITY CLERK

(SEAL)

City of Aliso Viejo
AGENDA ITEM

DATE: January 18, 2023

TO: Mayor and City Council

FROM: Shaun Pelletier, Director of Public Works/City Engineer

SUBJECT: AGREEMENT WITH WOOD RODGERS, INC. FOR STORM DRAIN CONDITION ASSESSMENT SERVICES

Recommended Actions:

1. Approve an agreement with Wood Rodgers, Inc. to perform storm drain condition assessment services; and

2. Authorize the City Manager to execute a professional services agreement with Wood Rodgers, Inc. for an amount of $286,000.

Fiscal Impact:

These services are proposed to be $100,000 in FY 2022-23 with gas tax funds. The FY 2022-23 budget includes funds for performing storm drain assessment services. The remaining amount will be included in the FY 2023-24 budget to complete the project with gas tax funds.

Background:

The City's storm drain infrastructure is aging and the need for this project is to help assess and budget the City's financial liability. The result of this project will help the City identify problematic storm drain system components and create a prioritized capital improvement program for the storm drain system.

A request for proposals (RFP) was issued for the storm drain assessment services on November 18, 2022 and was advertised on the City website. On December 14, 2022, staff received two (2) proposals for providing the requested services. Staff reviewed the proposals for their ability to perform the service, ability to meet time requirements, reference checks, and reasonableness of cost.

Staff ranked the firms as follows:

1. Wood Rogers
2. EEC

Discussion:

Staff recommends Wood Rogers to perform the storm drain condition assessment services because of the thoroughness of their work plan in identifying priority locations within the existing storm drain system to reduce the effort of field inspections required and their experience in providing storm drain condition assessment services for other municipalities.

Attachment:

1. Agreement

CITY OF ALISO VIEJO
PROFESSIONAL SERVICES AGREEMENT
FOR
STORM DRAIN CONDITION ASSESSMENT SERVICES

1. PARTIES AND DATE.

This Agreement is made and entered into this _____ day of _____, 20___, by and between the City of Aliso Viejo, a municipal corporation organized under the laws of the State of California with its principal place of business at 12 Journey, Suite 100, Aliso Viejo, California 92656 ("City") and **Wood Rodgers, Inc.**, a **corporation**, with its principal place of business at **2251 San Diego Avenue, Suite A-130, San Diego, CA 92110** ("Consultant"). City and Consultant are sometimes individually referred to herein as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Consultant.

Consultant desires to perform and assume responsibility for the provision of professional **Storm Drain Condition Assessment** consultant services required by the City on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing professional **Storm Drain Condition Assessment** consultant services to public clients, is licensed in the State of California, and is familiar with the plans of City.

2.2 Project.

City desires to engage Consultant to render such services for the **Storm Drain Condition Assessment Services** project ("Project") as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional **Storm Drain Condition Assessment** consultant services necessary for the Project ("Services"). The Services are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from **January 18, 2023** to **June 30, 2025**, unless earlier terminated as provided herein. The City Manager shall have the unilateral option, at its sole discretion, to renew this Agreement annually for no more than two additional one-year terms. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Consultant on an independent contractor basis and not as an employee. Consultant shall complete, execute, and submit to City a Request for Taxpayer Identification Number and Certification (IRS FormW-9) prior to commencement of any Services under this Agreement. Neither City, nor any of its officials, officers, directors, employees or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of City and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services.

3.2.2.1 Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, City shall respond to Consultant's submittals in a timely manner. Upon request of City, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.2.2 Neither City nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing Party. For purposes of this Agreement, such circumstances include a Force Majeure Event. A Force Majeure Event shall mean an event that materially affects a Party's performance and is one or more of the following: (1) Acts of God or other natural disasters; (2) terrorism or other acts of a public enemy; (3) orders of governmental authorities (including, without limitation, unreasonable and unforeseeable delay in the issuance of permits or approvals by governmental authorities that are required for the Services); (4) strikes and other organized labor action occurring at the site and the effects thereof on the Services, only to the extent such strikes and other organized labor action are beyond the control of Consultant and its subcontractors, and to the extent the effects thereof cannot be avoided by use of replacement workers; and (5) pandemics, epidemics or quarantine restrictions. For purposes of this section, "orders of governmental authorities," includes ordinances, emergency proclamations and orders, rules to protect the public health, welfare and safety, and other actions of a public agency applicable to the Services and Agreement.

3.2.2.3 Should a Force Majeure Event occur, the non-performing Party shall, within a reasonable time of being prevented from performing, give written notice to the other Party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement. Force Majeure Events and/or delays, regardless of the Party responsible for the delay, shall not entitle Consultant to any additional compensation. Notwithstanding the foregoing in this section, the City may still terminate this Agreement in accordance with the termination provisions of this Agreement.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of City.

3.2.4 Substitution of Key Personnel. Consultant has represented to City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Consultant cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the City, or who are determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the Consultant at the request of the City. The key personnel for performance of this Agreement are as follows: **Cheng Soo**.

3.2.5 City's Representative. The City hereby designates the City Manager, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. The City Manager hereby designates **Public Works Director/City Engineer**, or his or her designee, as the City's contact for the implementation of the Services hereunder. Consultant shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.2.6 Consultant's Representative. Consultant hereby designates **Cheng Soo**, or his or her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Consultant agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional

calling necessary to perform the Services. Consultant warrants that all employees and subconsultants shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its sub-consultants who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

3.2.10.1 Time for Compliance. Consultant shall not commence Work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required under this section.

3.2.10.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder and without limiting the indemnity provisions of the Agreement, the Consultant in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement, the following policies of insurance. If the existing policies do not meet the Insurance Requirements set forth herein, Consultant agrees to amend, supplement or endorse the policies to do so.

(a) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 0001, with minimum limits of at least $1,000,000 per occurrence, and if written with an

aggregate, the aggregate shall be double the per occurrence limit. Defense costs shall be paid in addition to the limits.

The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to the Agreement.

(b) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 0001 covering "Any Auto" (Symbol 1) with minimum limits of $1,000,000 each accident.

(c) Contractors Pollution Liability: (if necessary)

Contractors Pollution Liability Insurance covering all of the contractor's operations to include onsite and offsite coverage for bodily injury (including death and mental anguish), property damage, defense costs and cleanup costs with minimum limits of $5 million per loss and $10 million total all losses. The policy shall contain no endorsements or provisions limiting contractual liability or coverage for cross liability of claims or suits by one insured against another.

If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement.

(d) Professional Liability: Professional Liability insurance with minimum limits of $1,000,000. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.).

If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement.

(e) Workers' Compensation: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than $1,000,000 per accident for bodily injury and disease.

3.2.10.3 Endorsements. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval.

(a) The policy or policies of insurance required by Section 3.2.10.2 (a) Commercial General Liability and (c) Contractor's Pollution Liability shall be endorsed to provide the following:

(1) Additional Insured: The City of Aliso Viejo, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement.

Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Consultant; or (4) contain any other exclusions contrary to the Agreement.

(2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(b) The policy or policies of insurance required by Section 3.2.10.2 (b) Automobile Liability and (d) Professional Liability shall be endorsed to provide the following:

(1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(c) The policy or policies of insurance required by Section 3.2.10.2 (e) Workers' Compensation shall be endorsed to provide the following:

(1) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the indemnified parties.

(2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

3.2.10.4 Primary and Non-Contributing Insurance. All insurance coverages shall be primary and any other insurance, deductible, or self-insurance maintained by the indemnified parties shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

3.2.10.5 Waiver of Subrogation. Required insurance coverages shall not prohibit Consultant from waiving the right of subrogation prior to a loss. Consultant shall waive all subrogation rights against the indemnified parties. Policies shall contain or be endorsed to contain such provisions.

3.2.10.6 Deductible. Any deductible or self-insured retention must be approved in writing by the City and shall protect the indemnified parties in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

3.2.10.7 Evidence of Insurance. The Consultant, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates and endorsements on forms approved by the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, Consultant shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

3.2.10.8 Failure to Maintain Coverage. Consultant agrees to suspend and cease all operations hereunder during such period of time as the required insurance coverage is not in effect and evidence of insurance has not been furnished to the City. The City shall have the right to withhold any payment due Consultant until Consultant has fully complied with the insurance provisions of this Agreement.

In the event that the Consultant's operations are suspended for failure to maintain required insurance coverage, the Consultant shall not be entitled to an extension of time for completion of the Services because of production lost during suspension.

3.2.10.9 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

3.2.10.10 Insurance for Subconsultants. All Subconsultants shall be included as additional insureds under the Consultant's policies, or the Consultant shall be responsible for causing Subconsultants to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the City as an Additional Insured to the Subconsultant's policies.

3.2.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions where applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subconsultants, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **Two Hundred Eighty Six Thousand** DOLLARS (**$286,000**) ("Total Compensation") without written approval of City's **City Manager**. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation.

Consultant shall submit to City a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within 45 days of receiving such statement, review the statement and pay all non-disputed and approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by City.

3.3.4 Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from the City.

3.3.5 Prevailing Wages; DIR Registration.

3.3.5.1 Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects.

If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is $1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. It is the intent of the parties to effectuate the requirements of sections 1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code within this Agreement, and Consultant shall therefore comply with such Labor Code sections to the fullest extent required by law. Consultant shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.3.5.2 If the Services are being performed as part of an applicable "public works" or "maintenance" project, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations ("DIR"). Consultant shall maintain registration for the duration of the project and require the same of any subconsultants. This project may also be subject to compliance monitoring and enforcement by the DIR. It shall be Contractor's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. City may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to City, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause. The rights and remedies of the City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law, equity or under this Agreement.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such document and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Consultant:

Cheng Soo, Principal
Wood Rodgers, Inc.
2251 San Diego Avenue, Suite A-130
San Diego, CA 92110

City:

City of Aliso Viejo
12 Journey, Suite 100
Aliso Viejo, CA 92656
Attn: **Shaun Pelletier, Public Works Department**

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). Consultant shall require all subconsultants to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents and Data at any time,

provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

3.5.3.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

3.5.3.3 Confidential Information. The City shall refrain from releasing Consultant's proprietary information ("Proprietary Information") unless the City's legal counsel determines that the release of the Proprietary Information is required by the California Public Records Act or other applicable state or federal law, or order of a court of competent jurisdiction, in which case the City shall notify Consultant of its intention to release Proprietary Information. Consultant shall have five (5) working days after receipt of the Release Notice to give City written notice of Consultant's objection to the City's release of Proprietary Information. Consultant shall indemnify, defend and hold harmless the City, and its officers, directors, employees, and agents from and against all liability, loss, cost or expense (including attorney's fees) arising out of a legal action brought to compel the release of Proprietary Information. City shall not release the Proprietary Information after receipt of the Objection Notice unless either: (1) Consultant fails to fully indemnify, defend (with City's choice of legal counsel), and hold City harmless from any legal action brought to compel such release; and/or (2) a final and non-appealable order by a court of competent jurisdiction requires that City release such information.

3.5.4 Fraud Policy. Consultant shall provide a copy of the City's Fraud Prevention Policy to each of its employees assigned to perform Services under this Agreement. Consultant shall submit to the City a statement signed by an authorized representative for Consultant certifying receipt of the City's Fraud Prevention Policy. A finding by the City that any of Consultant's employees have committed fraud against the City or have violated the City's Fraud Prevention Policy shall be grounds for appropriate discipline, up to and including such employee's removal from performance of this Agreement at City's request and/or termination of this Agreement. Consultant shall reimburse the City for any costs and expenses associated with fraud against the City.

3.5.5 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.6 Attorney's Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this

Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

3.5.7 Indemnification.

3.5.7.1 To the fullest extent permitted by law, Consultant shall defend (with counsel of City's choosing), indemnify and hold the City, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's Services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorneys fees and other related costs and expenses except such loss or damage caused by the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall survive expiration or termination of this Agreement and shall not be restricted to insurance proceeds, if any, received by the Consultant or the City, its officials, officers, employees, agents or volunteers.

3.5.7.2 If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

3.5.8 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both parties.

3.5.9 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Orange County.

3.5.10 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.6 City's Right to Employ Other Consultants. City reserves right to employ other consultants in connection with this Project.

3.7 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.8 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees,

hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.9 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subconsultants of Consultant, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.10 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.11 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

3.12 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.13 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.14 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.15 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Minority

Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.16 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.17 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.18 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.19 Declaration of Political Contributions. Consultant shall, throughout the term of this Agreement, submit to City an annual statement in writing declaring any political contributions of money, in-kind services, or loan made to any member of the City Council within the previous twelve-month period by the Consultant and all of Consultant's employees, including any employee(s) that Consultant intends to assign to perform the Services described in this Agreement.

3.20 Subcontracting.

3.20.1 Prior Approval Required. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

[Signatures on following page.]

SIGNATURE PAGE TO PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ALISO VIEJO AND WOOD RODGERS, INC.

IN WITNESS WHEREOF, the parties have executed this Professional Services Agreement on this ____ day of _____, 2023.

CITY OF ALISO VIEJO

Approved:

By:_____
David Doyle
City Manager

ATTEST:

By:_____
Mitzi Ortiz, MMC
City Clerk

APPROVED AS TO FORM:

_____
Best Best & Krieger LLP
City Attorney

APPROVED AS TO COMPLIANCE WITH BUDGET

By:_____
Ann Eifert
Director of Financial Services

WOOD RODGERS, INC.

[If Corporation, TWO SIGNATURES, President OR Vice President AND Secretary OR Treasurer REQUIRED]

By:_____

Its:_____

Printed Name:_____

By:_____

Its:_____

Printed Name:_____

CITY OF ALISO VIEJO

DECLARATION OF POLITICAL CONTRIBUTIONS

Using the space provided below, please list any political contributions of money, in-kind services, or loans made to any member of the City Council within the last twelve (12) months by Consultant and all of Consultant's employees, including any employee(s) that applicant intends to assign to perform the work or services described in this Agreement:

_____

_____

_____

_____

_____

_____

_____

To the best of my knowledge, I declare under penalty of perjury that the foregoing is true and was executed at:

_____ _____

City/County/State Date

_____ _____

Name of Business Print Name

_____

Signature

NOTE: THIS DECLARATION IS INCLUDED AS PART OF THE AGREEMENT AND MUST BE SIGNED AND ATTACHED HERETO.

CITY OF ALISO VIEJO

ACKNOWLEDGMENT OF RECEIPT OF FRAUD POLICY

I hereby acknowledge that I have received a copy of the City's "Fraud Prevention Policy" dated October 1, 2008. I understand that I am to promptly read its contents and distribute copies to employees assigned to perform Services for the City of Aliso Viejo.

To the extent that provisions of this policy conflict with previously issued policies or practices, whether or not such policies and practices were contained in written policies, this policy shall prevail.

Name of Business	Print Name
Signature	
Date	

EXHIBIT "A"

SCOPE OF SERVICES

This project will be divided into the following phases:

Project Preparation and Records Review

The consultant shall review all pertinent records pertaining to the storm drain system. This includes the City's Storm Drain Plans, applicable GIS layers, storm drain outfall data, as-builts, drainage complaint areas, historic storm drain composite maps. Most of these files are available electronically and will be provided via Sharepoint as preferred by the consultant.

Prepare Field Inspection Plan

Upon review of the records, the consultant will prepare a field inspection plan (FIP). This plan will include a strategy to collect data and video a representative sample of the City's storm drain system. The plan will catalog the City's storm drain network and identify pipes, manholes and catch basins that may have the greatest risk of structural deficiencies. Data collected in the field will be supported by the City's records to rank the high-risk components of the storm drain system. The FIP will include a method to catalog and standardized rating criteria for the different pipe and structure types. At a minimum, the FIP shall include video of the collection pipes and photo documentation of the collection system structures. Additionally, the City's GIS layers will be updated with the data information collected in the field. At a minimum the following attributes will be captured.

- Location: X,Y and Z coordinates in the City's survey network.
- Elevation of manhole lids and catch basin grates
- Type and material of structure
- Size, type of catch basin and depth from manhole lid/catch basin grate all pipes entering and leaving the structure
- Pipe size(s) and direction of all pipes connecting to catch basin
- Direction of flow (if observed)
- Alternative Item: Downstream invert elevations

Implement the Field Inspection Plan

Following review and concurrence by City staff, the consultant shall execute the field inspection plan. The report shall be in the format of a technical memorandum. The report shall include:

- Background of the inspection types and methods
- Schedule of work
- Rating system for defects
- A narrative of the types and characteristics of defects found
- Tabular list of all pipe segments and storm drain structures reviewed in the FIP. List shall include condition rating, defects, and other system attributes
- Identify the condition, useful life, and value of the existing storm drain system assets.

- Establish the asset values and recommended year-to-year replacement costs of aging infrastructure. The remaining useful life of assets shall be assessed by the Consultant using projected-useful-life tables, decay curves, or recent condition assessment studies.
- Recommendations for prioritizing maintenance activities
- Recommendations for methods and prioritizing pipe and structure rehabilitation and/or replacement
    - Criteria should account for:
        - How critical the facility is to system operations (i.e., ramifications of failure).
        - Cost of facility failure (including social and environmental costs in addition to hard costs of repairs).
        - Probability of failure based on condition of facility.
        - Estimate design and construction costs associated with all recommended improvements or improvement programs.
        - Create a prioritized list of recommended improvements and improvement programs through 2029 with a detailed focus on near term critical projects.

Final Deliverables

The consultant shall prepare 3 hard copies of draft report and 3 copies of final report.

Other final deliverables shall include storm drain structure data and attributes in GIS shapefile format. Electronic copies of final report, video and photographic records from the FIP.

EXHIBIT "B"

SCHEDULE OF SERVICES

In the event that this Agreement is renewed pursuant to Section 3.1.2, the first renewal period shall be from July 1, 2025 to June 30, 2026. The second renewal period shall be from July 1, 2026 to June 30, 2027.

EXHIBIT "C"

COMPENSATION

See attached.

CLIENT: City of Aliso Viejo 1/5/2022

PROJECT: Storm Drain Condition Assessment Services

				Wood Rodgers, Inc.										Calvada	CCTV			
				Principal Eng II	Principal Eng I	Senior Engineer I	Senior GIS I	Project Engineer II	Project Engineer I	Engineer II	Senior Surveyor II	Admin. Assist.	Subtotal	Subtotal	Subtotal	WR Mark Up	Reimbursables	Subtotals
		No.		$ 305	$ 270	$ 240	$ 240	$ 225	$ 210	$200	$ 240	$145				10%		
Task 1	**Project Preparation and Records Review**																	
Task 1.1	Data Collection and Review				8	12				12			$ 7,440	-	-	-		$ 7,440
Task 1.2	Desktop Asset Inventory	10	miles		4			12	80				$ 20,580	-	-	-		$ 20,580
	Subtotal:			-	**12**	**12**	-	**12**	**80**	**12**	-	-	**$ 28,020**	-	-	-	-	**$ 28,020**
Task 2	**Prepare Field Inspection Plan**																	
	Prepare Field Inspection Plan				16	20				20			$ 13,120	-	-	-		$ 13,120
	Subtotal:			-	**16**	**20**	-	-	-	**20**	-	-	**13,120**	-	-	-	-	**$ 13,120**
Task 3	**Implement the Field Inspection Plan**																	
Task 3.1	Survey, Inspection + Inventory	120	sites			16	30						$ 11,040	$ 89,000	-	$ 8,900	$ 500	$ 109,440
Task 3.2	CCTV + Inventory	1	miles		8			10					$ 4,410		$ 26,928	$ 2,693		$ 34,031
Task 3.3	Condition Assessment				12	36			36				$ 19,440	-	-	-		$ 19,440
Task 3.4	Maintenance + Rehabilitation + Replacement Recommendations				16	36		36					$ 21,060	-	-	-		$ 21,060
Task 3.5	Improvements Prioritization				8	12		8					$ 6,840	-	-	-		$ 6,840
	Subtotal:			-	**44**	**100**	**30**	**54**	**36**	-	-	-	**62,790**	**$ 89,000**	**$ 26,928**	**$ 11,593**	**$ 500**	**$ 190,811**
Task 4	**Final Deliverables**																	
	Final Deliverables			16	24		36		24				$ 25,040	-	-	-		$ 25,040
	Subtotal:			**16**	**24**	-	**36**	-	**24**	-	-	-	**25,040**	-	-	-	-	**$ 25,040**
Task 5	**Project Management**																	
	Project Management			16	40		40					19	$ 28,035	-	-	-		$ 28,035
	Subtotal:			**16**	**40**	-	**40**	-	-	-	-	**19**	**28,035**	-	-	-	-	**$ 28,035**
	Total			**32**	**136**	**132**	**106**	**66**	**140**	**32**	-	**19**	**$ 157,005**	**$ 89,000**	**$ 26,928**	**$ 11,593**	**$ 500**	**$ 285,026**

City of Aliso Viejo

COUNCIL POLICY

SUBJECT	RES. NO.	POLICY NO.	EFF. DATE	PAGE
FRAUD PREVENTION POLICY	**2005-056**	**400-15**	**10/01/2008**	**1 of 8**

PURPOSE

To establish Policy and procedures for the prevention and detection of fraud and other related dishonest activities against the City and, when appropriate, to pursue legal remedies available under the law.

This Policy has been established to ensure that elected officials, officers, employees, and members of advisory boards, commissions and committees of the City of Aliso Viejo are aware of the following:

1. Acts that are considered to be fraudulent;
2. Procedures for reporting suspected fraudulent acts;
3. Steps to be taken when fraud or other related dishonest activities are suspected; and
4. Consequences to expect when a dishonest act is reported.

Further, this Policy delineates management's responsibility for instituting and maintaining a system of internal control to prevent and detect fraud, misappropriations and other irregularities, and to be alert for any indications of such misconduct.

POLICY

1. GENERAL

The City of Aliso Viejo is committed to protecting its assets against the risk of loss or misuse. Accordingly, it is the policy of the City to identify and promptly investigate any possibility of fraudulent or related dishonest activities against the City and, when appropriate, to pursue legal remedies available under law.

2. DEFINITIONS

a. Fraud – Fraud and other similar irregularities including, but not limited to:

   i. claim for reimbursement of expenses that are not job-related or authorized by current policy;

   ii. forgery or unauthorized alteration of documents (checks, time sheets, independent contractor agreements, purchase orders, budgets, etc.);

iii. misappropriation of City assets (funds, securities, supplies, furniture, equipment, etc.);

iv. improprieties in the handling or reporting of money or financial transactions;

v. authorizing or receiving payment for goods not received or services not performed;

vi. computer-related activity involving unauthorized alteration, destruction, forgery, or manipulation of data or misappropriation of City-owned software;

vii. misrepresentation of information on documents;

viii. any violation of Federal, State, or Local laws related to dishonest activities or fraud;

ix. seeking or accepting anything of material value from those doing business with the City, including vendors, consultants, contractors, lessees, applicants, and grantees. Materiality is determined by the City's Conflict of Interest Code, which incorporates the Fair Political Practices Commission's regulations;

x. obtaining profit or personal gain as a result of "insider" knowledge of City activities;

xi. disclosing confidential and proprietary information to outside parties; or

xii. Intentional, false representation or concealment of material fact for the purpose of personal gain.

b. Employee – Any individual or group of individuals who receive compensation, either full or part-time, from the City of Aliso Viejo for employment or providing services. The term also includes any volunteer who provides services to the City through an official arrangement with the City or a City organization, as well as consultants, vendors, contractors, outside agencies and/or any other parties with a business relationship with the City of Aliso Viejo.

c. Official - Elected officials, officers, and members of advisory or appointed boards, commissions and committees.

d. Management – Any administrator, manager, director, supervisor, or other individual who manages or supervises funds or other resources, including human resources.

e. Internal Auditor – Any person or persons assigned by the City Manager to investigate any fraud or similar activity.

f. External Auditor – Independent audit professionals who perform annual audits of the City's financial statements.

3. INVESTIGATION

a. It is the City's intent to fully investigate any suspected acts of fraud. An objective and impartial investigation will be conducted regardless of the position, title, length of service or relationship with the City of any party who might be or become involved in or becomes the subject of such investigation.

b. Each department of the City is responsible for instituting and maintaining a system of internal control to provide reasonable assurance for the prevention and detection of fraud. Management should be familiar with the types of improprieties that might occur within their area of responsibility and be alert for any indications of such conduct.

c. The Internal Auditor, in conjunction with the City Attorney, has the primary responsibility for the investigation of fraud.

d. Throughout the investigation, the Internal Auditor will inform the City Manager of pertinent investigative findings.

e. Employees will be granted "whistle-blower protection," as described below when acting in accordance with this Policy. When informed of suspected fraud, neither the City nor any person acting on behalf of the City shall:

   i. dismiss or threaten to dismiss the Employee reporting the suspected fraud;

   ii. discipline, suspend, or threaten to discipline or suspend the Employee reporting the suspected fraud;

   iii. impose any penalty upon the Employee reporting the suspected fraud, or;

   iv. intimidate or coerce the Employee reporting the suspected fraud.

Violations of these "whistle-blower protections" may result in discipline up to and including dismissal.

f. Upon conclusion of the investigation, the results will be reported to the City Manager.

g. The City Manager, following review of investigation results, will take appropriate disciplinary action regarding Employee misconduct. Disciplinary action can include termination of employment or a contract, and referral of the case to the District Attorney's Office for possible prosecution.

h. The City will pursue every reasonable effort, including court ordered restitution, to obtain recovery of City losses from the offender, or other appropriate sources.

PROCEDURE

1. RESPONSIBILITIES OF OFFICIALS

a. If an Official has reason to suspect that a fraud has occurred, he or she shall immediately contact the City Manager.

b. An Official shall not attempt to investigate the suspected fraud or discuss the matter with anyone other than the City Manager.

c. The alleged fraud or audit investigation shall not be discussed with the media by any person other than through the City Manager in consultation with the City Attorney and the Internal Auditor.

2. MANAGEMENT RESPONSIBILITIES

a. Management is responsible for detecting, preventing and reporting fraud in their areas of responsibility.

b. Each manager should be familiar with the types of fraud that might occur in his or her area and be alert for any indication that fraud is or was in existence in his or her area.

c. When fraud is detected or suspected, Management should determine whether an error or mistake has occurred or if there may be dishonest or fraudulent activity.

d. If Management determines a suspected activity may involve fraud, they should contact their immediate supervisor. In the event the activity involves the immediate supervisor, the activity should be reported to the Department Director.

e. Upon being notified of suspected fraud, Department Directors shall inform the City Manager.

f. Management should not attempt to conduct individual investigations, interviews, or interrogations. However, Management is responsible for taking appropriate corrective actions to ensure adequate controls exist to prevent reoccurrences of fraud.

g. Management shall cooperate fully with the Internal Auditor, other involved departments, and law enforcement agencies in the detection, reporting, and investigation of fraud, including the prosecution of offenders.

h. Management will have full and unrestricted access to all necessary records and personnel. All City furniture and contents, including desks and computers, are open to inspection at any time. There is no assumption of privacy.

i. In dealing with suspected fraud, great care must be taken. Management should not:

   i. make accusations;

   ii. alert individuals suspected of committing fraud that an investigation is underway;

   iii. treat individuals suspected of committing fraud unfairly, or;

   iv. make statements that could lead to claims of false accusations or other offenses.

j. In handling suspected fraud activities, Management has the responsibility to:

   i. make no contact (unless requested) with the individual suspected of committing fraud to determine facts or demand restitution. Under no circumstances should there be any reference to “what you did”, “the crime”, “the fraud”, “the misappropriation”, etc.;

   ii. avoid discussing the case, facts, suspicions, or allegations with anyone outside the City, unless specifically directed to do so by the City Attorney;

iii. avoid discussing the case with anyone inside the City other than the City Manager, Internal Auditor, or City Attorney or law enforcement personnel;

iv. direct all inquiries from the individual suspected of committing fraud, or his or her representative, to the City Manager or City Attorney. All inquiries by an attorney representing the individual suspected of committing fraud should be directed to the City Attorney. All inquiries from the media should be directed to the City Manager, and;

v. take appropriate corrective and disciplinary action, up to and including dismissal, if authorized by and in conformance with the City's personnel policies.

3. EMPLOYEE RESPONSIBILITIES

a. Employees should report detected or suspected fraud to the Employee's supervisor.

b. In the event the suspected fraud involves the Employee's immediate supervisor, the Employee shall make the report directly to the next higher level of Management and/or the City Manager.

c. The reporting Employee shall refrain from further investigation of the incident, confrontation with the alleged violator, or further discussion of the incident with anyone, unless requested by the City Manager, Internal Auditor, City Attorney, or law enforcement personnel.

4. INTERNAL AUDITOR RESPONSIBILITIES

a. Upon assignment by the City Manager, the Internal Auditor will promptly investigate the fraud.

b. In all circumstances where there appears to be reasonable grounds for suspecting that a fraud has taken place, the Internal Auditor, in consultation with the City Attorney, will contact appropriate law enforcement personnel.

c. The Internal Auditor shall be available and receptive to receiving relevant, confidential information to the extent allowed by law.

d. If evidence is uncovered showing possible fraud, the Internal Auditor will proceed as follows:

i. discuss the findings with Management and the City Manager to determine if disciplinary actions should be taken;

ii. report to the External Auditor such activities in order to assess the effect of the fraud activity on the City's financial statements;

iii. coordinate with Management regarding notification to insurers and filing of insurance claims;

iv. take immediate action, in consultation with the City Attorney, to prevent the theft, alteration, or destruction of evidentiary records. Such action shall include, but is not limited to:

(A) removing the records and placing them in a secure location, or limiting access to the location where the records currently exist, and;

(B) preventing the individual suspected of committing the fraud from having access to the records.

e. In consultation with the City Attorney and appropriate law enforcement personnel, the Internal Auditor may disclose particulars of the investigation with potential witnesses if such disclosure would further the investigation.

f. If the Internal Auditor is contacted by the media regarding an alleged fraud or investigation, the Internal Auditor will direct all inquiries to the City Manager.

g. At the conclusion of the investigation, the Internal Auditor will document the results in a confidential memorandum report to the City Manager and the City Attorney. If the report concludes that the allegations are supported by evidence, the report will be forwarded to appropriate law enforcement personnel.

h. Unless exceptional circumstances exist, a person under investigation for fraud is to be given notice in writing of essential particulars of the allegations following the conclusion of the investigation. Where notice is given, the person against whom allegations are being made may submit a written explanation to the Internal Auditor no later than seven (7) calendar days after notice is received.

i. The Internal Auditor shall make recommendations to the appropriate department for

assistance in the prevention of future similar occurrences.

j. Upon completion of the investigation, including all legal and personnel actions, all records, documents, and other evidentiary material, obtained from the department under investigation will be returned by the Internal Auditor to that department.

DISCIPLINARY ACTIONS

Any Employee found to be responsible for fraud or who knowingly makes false allegations in violation of this Policy shall be subject to appropriate disciplinary action, up to and including termination of employment and/or termination of the contract. The severity of the disciplinary action will be based upon the circumstances of the violation and in accordance with the City's personnel policies. The City will assess any remedial measures necessary to address and correct the circumstance and prevent reoccurrence in the future. Remedial measures may include, but are not limited to, disciplinary action, reorganization of personnel, training and education, counseling and/or other employee assistance.

EXCEPTIONS

There will be no exceptions to this Policy unless provided and approved by the City Manager and the City Attorney.

CITY OF ALISO VIEJO

ACKNOWLEDGMENT OF RECEIPT OF FRAUD POLICY

I hereby acknowledge that I have received a copy of the City's "Fraud Prevention Policy" dated October 1, 2008. I understand that I am to promptly read its contents and distribute copies to employees assigned to perform Services for the City of Aliso Viejo.

To the extent that provisions of this policy conflict with previously issued policies or practices, whether or not such policies and practices were contained in written policies, this policy shall prevail.

_____ _____

Name of Business Print Name

_____

Signature

_____

Date

City of Aliso Viejo
AGENDA ITEM

DATE: January 18, 2023

TO: Mayor and City Council

FROM: So Kim, Community Development Director
Rose Rivera, Senior Planner

SUBJECT: LEASE WITH FAMILY ASSISTANCE MINISTRIES

Recommended Actions:

1. Find that the lease of the City-owned property is exempt from the California Environmental Quality Act pursuant to State CEQA Guidelines Sections 15301 (Existing Facilities); and

2. Approve the lease agreement with Family Assistance Ministries (FAM) for the property and direct the City Manager to take all necessary steps to execute the lease of the property.

Fiscal Impact:

If the City Council approves the lease between the City and Family Assistance Ministries ("FAM"), the City will lease the property to FAM for $1 a month for the proposed five-year term.

Background:

On May 4, 2022, the City Council approved the Fiscal Year (FY) 2022-23 Annual Action Plan for the Community Block Grant (CDBG). As part of the plan, an estimated $175,626 was allocated towards the acquisition of a low-income housing unit to provide supportive housing for homeless families with children. Subsequently, CDBG finalized their FY 2022-23 allocation, which provided an additional $11,298 for acquisition, for a total of $186,924. On September 7, 2022, the City Council authorized appropriation of funds to purchase a residential unit in the amount of $227,000 to be used for affordable housing in the City. The unit, built in 2010, is a 1,213 square foot condominium with two bedrooms and two bathrooms. It is one of 15 affordable units in the community that the City required the developer to set aside for low-income households. A low-income household is defined as a household that is not more than 80 percent of the area median income at the time of the purchase.

The City proposes to lease the purchased unit to Family Assistance Ministries ("FAM"), which is experienced in operating residential units as transitional and supportive housing. FAM currently leases another City-owned residential unit for transitional housing. FAM was established in 1999 and offers a full range of services to assist local residents, including:

- Rental and utility assistance to help prevent eviction;
- Operation of "FAMily House", the only emergency shelter for families experiencing homelessness in south Orange County. Single dads, single moms, dual parent households, pregnant women and their children have found safe shelter and help to graduate into permanent housing since 2017;
- Gilchrist House homeless shelter for single women and mothers with children has sheltered over 900 since opening in 2003 (as of 2020) with the goal of graduating into their own permanent housing; and
- Permanent Housing assistance is provided through both Rapid Rehousing and Permanent Supportive Housing.

Discussion:

The following are the salient terms of the proposed lease between the City and FAM:

- The term would be for five years, effective 2023 through 2028 with an option for the parties to mutually extend the lease for another two years;
- Rent would be $1 month;
- FAM would be the City's tenant, and would have the right to sublease the property to a qualified individual or household that is low or lower income;
- Each subtenant would have to meet FAM's program requirements including:
    - To the extent possible, ties/residency in Aliso Viejo;
    - Applicant screening, including:
        - Credit reporting guidelines
        - Eviction history or process
        - Rental History
        - Criminal history;
- FAM would also be responsible for:
    - Performing monthly unit visits in coordination with case management activities
    - Connecting resident to support services to assist in increasing income and/or decreasing expenses
    - Supporting residents' goal to obtain permanent housing as quickly as possible and in no longer than 24 months

- Maintaining positive relationships with community members surrounding the rental unit
- Responding to concerns immediately or no longer than 24 hours after notice.
- Providing support to furnish the rental unit with necessary living items such a dining room table, chairs and beds for each resident.
- Providing City of Aliso Viejo with update reports on a quarter basis or as requested;

- FAM's subtenants may be required to pay rent, depending on their income. Any rent money collected would be used to fund costs associated with FAM's responsibility to maintain the unit;
- Before approving new subtenants or an extension of a sublease, FAM would be required to certify to the City that the sublessee meets affordable income requirements; and
- The City would be responsible for providing appliances and for major repairs and renovations. FAM would be responsible for all other fixtures and routine maintenance costs.

Environmental:

This action is exempt from the California Environmental Quality Act pursuant to State CEQA Guidelines Sections 15301 (Existing Facilities). The affordable unit already exists. The proposed project involves the purchase and lease of an existing private structure involving no expansion of the existing or former use. The condominium remains a condominium for residential purposes. None of the exceptions to the categorical exemptions would be triggered. The project would not have cumulative impacts, significant effects due to unusual circumstances, impacts to scenic highways, impacts related to hazardous waste sites (the site is not on the Cortese list), or impacts to historical resources (the property is not an historic resource). Thus, the project is exempt pursuant to a Class 1 categorical exemption.

Public Notice:

This item was publicly noticed under normal agenda procedures.

City Attorney:

The City Attorney has reviewed the staff report.

Attachments:

1. Lease Agreement
2. Family Assistance Ministries Background Materials

RESIDENTIAL LEASE

THIS RESIDENTIAL LEASE (the "Lease") is dated as of _____, 2023, and is entered into between the City of Aliso Viejo, a California municipal corporation ("Landlord") and Family Assistance Ministries, a California public benefit corporation ("Tenant"). The Landlord and Tenant are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

1. PROPERTY:

A. Landlord rents to Tenant, and Tenant rents from Landlord, the property located at 38 Colonial Way, Aliso Viejo, CA 92656, APN No. 629-531-77 (the "Premises").

B. The Premises are for the sole use as occupancy as a personal residence by Tenant's subtenant(s) who shall meet the following criteria ("Authorized Occupants"):

1. Subtenant(s) shall be individuals or families who, at the time of initial occupancy of the Premises and continuously thereafter, until the end of his, her, or their subtenant term, are a Qualified Household, and who shall pay an Affordable Rent, as defined below. "Qualified Household" shall mean an individual or family that qualifies as an extremely low or lower income household based on the area median income (AMI), as defined in California Health and Safety Code Section 50053 and accompanying regulations of the California Department of Housing and Community Development (HCD), as such law or regulations may hereafter be amended, replaced or renumbered from time-to-time.

2. Subtenants shall meet the criteria of Tenant Interim Housing Program Guidelines at all times during the term of any sublease ("Program"). The Program Guidelines are attached hereto as Exhibit "A" and incorporated herein by reference, and may be updated from time-to-time by Tenant with Landlord's approval, which shall not be unreasonably withheld.

3. Tenant shall also be responsible for following and implementing the Program Guidelines.

C. Occupancy shall be limited to no more than two persons per bedroom, plus one additional person.

D. To the maximum extent authorized by law, Tenant shall give priority to individuals or families currently located in the City as potential subtenants.

E. Tenant shall only sublease the Premises for occupancy by Authorized Occupants at an Affordable Rent on a continuous basis throughout the term(s) of a sublease. "Affordable Rent" shall mean the maximum rent for "lower income households" as defined in California Health and Safety Code Section 50053(b)(3) and accompanying regulations of HCD, as such law or regulations may hereafter be amended, replaced or renumbered from time-to-time, with allowance for utilities,

as such allowance may be established by the County of Orange; provided, however, that "Affordable Rent" shall be based on the AMI. The monthly rent charged to and paid by a Qualified Household for the occupancy of the Premises may never exceed an Affordable Rent applicable to such Qualified Household. Moreover, rent for a sublease of the Premises may be increased only once per calendar year, based on changes in AMI; provided that the rent for the sublease of the Premises must never exceed an Affordable Rent for the Premises.

F. Tenant and subtenant(s) shall execute a sublease in a form that is approved by Landlord and Landlord's general counsel, and such sublease shall incorporate the salient provisions of this Lease. Among other things, Landlord shall be a third-party beneficiary to any sublease and shall have the right but not the obligation to enforce any and all provisions of any sublease.

G. Tenant covenants and agrees for itself, its successors, its assigns and every successor-in-interest to all or any portion of the Premises, that there shall be no discrimination against or segregation of any person, or group of persons, on account of gender, sexual orientation, marital status, race, color, religion, creed, national origin or ancestry in the sublease, transfer, use, occupancy, tenure or enjoyment of the Premises, nor shall Tenant, itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of subtenant of the Premises. To that end, Tenant shall provide in each sublease pertaining to the Premises, or any part thereof, substantially the following non-discrimination or non-segregation provision: "The Subtenant herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that this sublease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, gender, sexual orientation, marital status, national origin, or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein subleased nor shall the subtenant itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy in the premises herein subleased."

H. Prior to approving a potential sublease or any extension of a sublease, Tenant shall determine whether the individual or family would be or is an Authorized Occupant, including determination of Qualified Household income. At the time of initial application, Tenant shall require potential subtenant(s) to complete an Income Certification Form, which shall be substantially in the form of Exhibit "B," attached hereto and incorporated herein by reference, and shall certify the accuracy of the information provided on such form. On or before January 1st of each calendar year during a sublease term and within sixty (60) days following the expiration of a sublease term, Tenant shall require the current Qualified Household occupying the Premises to recertify the Qualified Household's income on the Income Certification Form. Tenant shall make a good faith effort to verify the accuracy of income information provided in any Income Certification Form by a potential subtenant or

Qualified Household by taking one or more of the following steps, as reasonably required or indicated: (1) obtain an income tax return and copy of each W2 Wage and Earnings Statement for the most recently concluded income tax year; (2) conduct a credit reporting agency or similar search; (3) obtain an income verification form from the potential subtenant's or the Qualified Household's current employer(s); (4) obtain an income verification form from the United States Social Security Administration and/or the California Department of Social Services, if the potential subtenant or the Qualified Household receives assistance from either of such agencies; or (5) if the potential subtenant or a Qualified Household is unemployed and has no such income tax return, obtain another form of independent verification. For purposes of this subsection, Tenant may conclusively rely upon the evidence of the age of the occupant(s) of the Premises as presented in a valid California Driver's License, other form of identification issued by the State of California or the United States Government, which includes a date of birth. All such verification information shall only be obtained by Tenant after obtaining a potential subtenant's or the Qualified Household's written consent for the release of such information to Tenant. Failure to consent in writing to the release of such income verification information to Tenant may disqualify a potential subtenant for occupancy of the Premises or be grounds for termination of Qualified Household's occupancy of the Premises.

I. Tenant shall maintain on file all Income Certification Forms completed by potential subtenants and Qualified Households that occupied or are occupying the Premises and shall provide copies of the rent roll and Income Certification Forms to Landlord for its review and approval within fifteen (15) calendar days following a notice by the Landlord to Tenant.

J. Tenant shall provide Landlord with a biannual written report of the Premises and Tenant's actions thereon within fifteen (15) days after a request from Landlord. Such report shall also outline the success of Tenant's program to assist persons and families achieve self-sufficiency by providing family profiles (while remaining sensitive to privacy issues) including number of persons in household, number of children, female head of households, race, ethnicity (Hispanic or not), special needs (mental illness, developmentally disabled, domestic violence, other), household income, reason for homelessness, support services provided, length of stay, destination after stay, and other information as Landlord may request. Tenant shall, by January 1st of each year, which coincides with the Rent payment, demonstrate to Landlord that Tenant has the necessary funds committed to comply with their obligations under this Lease for such year.

K. Tenant and each Qualified Household occupying the Premises shall permit Landlord to conduct inspections of the Premises, from time-to-time, for purposes of verifying compliance with this Lease, upon five (5) calendar days prior written notice to Tenant.

2. **TERM:** The term of this Lease shall begin on _____, 2023 ("Commencement Date") and shall continue until _____ , 2028 ("Expiration Date").

A. At the end of the term, at Tenant's option, so long as Tenant is not in breach of any material obligation under this Lease, Landlord and Tenant may mutually, and in writing, renew the term of the Lease for a period not to exceed two years

B. Notwithstanding the foregoing, Landlord may exercise any and all of its legal and equitable remedies, including, without limitation, terminating the Lease at any time due to Tenant or its subtenant's failure to abide by and adhere to any and all provisions of this Lease, including, without limitation, the Rules and Regulations referenced herein.

3. **RENT; RENT ADJUSTMENT:** The capitalized term "Rent" shall mean all monetary obligations of Tenant to Landlord under this Lease, except the security deposit.

A. Tenant agrees to pay monthly rent in the amount of $ 1.00 per month, subject to adjustment in advance on the 1st day of each calendar month, by personal check, money order, or cashier's check to City of Aliso Viejo at 12 Journey, Suite 100 Aliso Viejo, CA 92656 (or at any other location subsequently specified by Landlord in writing to Tenant). If any payment is returned for non-sufficient funds ("NSF") or because Tenant stops payment, then, after that Landlord may by written notice to Tenant require Tenant to pay all future Rent by cashier's check.

4. **SECURITY DEPOSIT:**

A. Concurrently with Tenant's execution of this Lease, Tenant shall pay one month's rent to Landlord as a security deposit.

B. All or any portion of the security deposit may be used, as reasonably necessary, to: (i) cure Tenant's default in payment of Rent (which includes late charges, NSF fees or other sums due); (ii) repair damage, excluding ordinary wear and tear, caused by Tenant or by a guest or licensee of Tenant; and (iii) clean the Premises, if necessary, upon expiration or earlier termination of the tenancy. **SECURITY DEPOSIT SHALL NOT BE USED BY TENANT IN LIEU OF PAYMENT OF LAST MONTH'S RENT.** If all or any portion of the security deposit is used during the tenancy, Tenant agrees to reinstate the total security deposit within five (5) days written request to Tenant. Within 21 days after Tenant vacates the Premises, Landlord shall: **(1)** furnish Tenant an itemized statement indicating the amount of any security deposit received and the basis for its disposition and supporting documentation as required by California Civil Code Section 1950.5(g); and **(2)** return any remaining portion of the security deposit to Tenant.

C. After giving or receiving notice of termination of a tenancy, or before the end of this Lease, Tenant has the right to request that an inspection of the Premises take place prior to termination of the Lease or rental. If Tenant requests such an inspection, Tenant shall be given an opportunity to remedy identified deficiencies

prior to termination, consistent with the terms of this Agreement. Any repairs or alterations made to the Premises as a result of this inspection (collectively, "Repairs") shall be made at Tenant's expense. Repairs may be performed by Tenant or through others, who have adequate insurance and licenses and are approved by Landlord. The work shall comply with applicable law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. It is understood that exact restoration of appearance or cosmetic items following all Repairs may not be possible. (iii) Tenant shall: (a) obtain receipts for Repairs performed by others; (b) prepare a written statement indicating the Repairs performed by Tenant and the date of such Repairs; and (c) provide copies of receipts and statements to Landlord prior to termination. This Section does not apply, however, when the tenancy is terminated pursuant to California Code of Civil Procedure § 1161 (2), (3) or (4).

D. The security deposit will not be returned until all Tenants and occupants have vacated the Premises and all keys have been returned. Any security deposit returned by check shall be made jointly to all Tenants named in this Lease.

E. No interest will be paid on the security deposit.

5. INITIAL PAYMENTS; FIRST AND LAST MONTH'S RENT AND SECURITY DEPOSIT: Upon execution of this Lease, Tenant shall pay the first partial month's rent (if applicable), first full month's rent, last month's rent (equal to one full month of rent) and the security deposit to Landlord by personal check, cashier's check, or money order.

A. Calculation of initial payment due:

First month's rent:	$ 1.00
Last month's rent:	$ 1.00
Security deposit:	$ 1.00
Less any deposit on file:	$ 0.00
TOTAL INITIAL PAYMENT DUE:	**$ 3.00**

6. LATE CHARGE; RETURNED CHECKS:

A. Tenant acknowledges that either late payment of monthly rent or issuance of a returned check may cause Landlord to incur costs and expenses, the exact amounts of which are extremely difficult and impractical to determine. These costs may include, but are not limited to, processing, enforcement and accounting expenses. If any installment of Rent due from Tenant is not received by Landlord within **five (5) calendar days** after the date due, or if a check is returned, Tenant shall pay to Landlord, respectively, an additional sum of five percent (5%) of the Rent due as a late charge and $25.00 as a NSF fee for the first returned check and $35.00 as a NSF fee for each additional returned check, all of which shall be deemed additional Rent.

B. Landlord and Tenant agree that these charges represent a fair and reasonable estimate of the costs Landlord may incur by reason of Tenant's late or NSF payment. Any late charge or NSF fee due shall be paid with the current installment of Rent. Landlord's acceptance of any late charge or NSF fee shall not constitute a waiver as to any default of Tenant. Landlord's right to collect a late charge or NSF fee shall not be deemed an extension of the date monthly rent is due under Section 3A above or prevent Landlord from exercising any other rights and remedies under this Agreement and as provided by law.

7. PARKING: Tenant shall have a parking garage, and Tenant shall park only in such parking garage. Parking areas are to be used for parking properly licensed and operable motor vehicles, but not for trailers, boats, campers, buses or trucks (other than pick-up trucks). Parking areas used by Tenant are to be kept clean, and vehicles leaking oil, gas or other motor vehicle fluids shall not be permitted. Mechanical work or storage of inoperable vehicles is not permitted.

8. UTILITIES: Tenant shall pay for all utilities. If any utilities are not separately metered, Tenant shall pay Tenant's proportional share, as reasonably determined and directed by Landlord. If utilities are separately metered, Tenant shall place utilities in Tenant's name as of the Commencement Date. Tenant shall pay any cost for conversion from existing utilities service provider.

9. CONDITION OF PREMISES: Tenant represents and warrants that Tenant has examined the Premises and, all appliances, landscaping and fixtures, including smoke detector(s) and carbon monoxide detectors, and Tenant acknowledges these items are in good and operable condition.

10. MAINTENANCE:

A. Tenant shall properly use, operate and safeguard the Premises, including maintaining any landscaping and appliances, and all mechanical, electrical, gas and plumbing fixtures, and keep them and the Premises clean, sanitary and well ventilated. Tenant shall be responsible for checking and maintaining all smoke detectors and carbon monoxide detectors and any additional phone lines beyond the one line and jack that Landlord shall provide and maintain. Tenant shall immediately notify Landlord's Building Maintenance Department of any problem, malfunction or damage. Tenant shall be charged for all repairs or replacements caused by Tenant, pets, guests or licensees of Tenant, excluding ordinary wear and tear. Tenant shall be charged for all damage to Premises resulting from failure to report a problem in a timely manner. Tenant shall be charged for repair of drain blockages or stoppages, unless caused by defective plumbing parts or tree roots invading sewer lines.

B. Tenant shall maintain, repair as necessary and water the garden, landscaping, trees and shrubs.

C. Tenant's failure to maintain any item for which Tenant is responsible shall give Landlord the right to hire someone to perform such maintenance, and Tenant shall reimburse Landlord for Landlord's actual cost thereof, as additional Rent, within ten (10) days after written demand.

11. NEIGHBORHOOD CONDITIONS: Tenant is advised to satisfy himself, herself, or itself as to neighborhood or area conditions, including schools, proximity and adequacy of law enforcement, crime statistics, proximity of registered felons or offenders, fire protection, other governmental services, availability, adequacy and cost of any wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, wild and domestic animals, other nuisances, hazards, or circumstances, cemeteries, facilities and condition of common areas, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Tenant.

12. PETS: Unless otherwise provided in California Civil Code § 54.2, Tenant may keep no more than two (2) pets on the Premises as pets, subject to Landlord's separate Pet Agreement attached hereto as Exhibit "C", which must be signed by Tenant and is incorporated herein by reference. Except as expressly so provided herein, no other animal or pet shall be kept on or about the Premises without Landlord's prior written consent.

13. WATERBEDS: If the Premises were constructed on or after January 1973, then Tenant may use a waterbed in the Premises provided: (i) Tenant obtains a replacement value $100,000 waterbed insurance policy and delivers a copy to Landlord; (ii) the waterbed does not exceed the floor load for the Premises; (iii) the waterbed is held together by a pedestal or frame; (iv) the Tenant installs, maintains and moves the waterbed in accordance with the manufacturer's retailer's standards; (v) the Tenant gives Landlord at least 24 hours' prior written notice of Tenant's intention to install, move or remove (as applicable) the waterbed and arranges for a Landlord representative to be present when this occurs; (vi) the waterbed has a label certifying that it conforms to construction standards imposed by the State Bureau of Home Furnishings; and (vii) the waterbed was constructed after January 1, 1973.

14. SMOKING: Tenant shall not smoke or allow smoking of a cigarette or other tobacco products, including, without limitation e-cigarettes, vaping, cigars, pipes, and hookahs in any portion of the interior of the Premises (i.e., inside buildings and structures). Additionally, Tenant shall not smoke or allow smoking of any other substances, including without limitation, cannabis, in any portion of the Premises, including the exterior patios. Notwithstanding the foregoing, if smoking occurs on the Premises, Tenant is responsible for all damage caused by the smoking including, but not limited to, stains, burns, odors and removal of debris; and Tenant acknowledges that in order to remove odor caused by smoking, Landlord may need to take certain actions such as replacing carpet and drapes and painting entire premises regardless of when these items were last cleaned or replaced. Such actions and other necessary steps will impact the return of any security deposit.

15. RULES/REGULATIONS:

A. Tenant and its subtenants shall comply with the Rules and Regulations attached hereto as Exhibit "D" and incorporated herein by reference. Failure of Tenant and/or subtenant(s) or their guests or licensees to abide by any portion of this Lease, including, without limitation, the Rules and Regulations, shall be grounds for immediate termination of this Lease and/or eviction from the Premises.

B. Tenant agrees to comply with all other Landlord rules and regulations that are delivered to Tenant. Tenant shall not, and shall ensure that guests and licensees of Tenant as well as subtenants of Tenant and their guests and licensees shall not, disturb, annoy, endanger or interfere with other tenants (if any) or neighbors, or use the Premises for any unlawful purposes, including, but not limited to, using, manufacturing, selling, storing or transporting illicit drugs or other contraband, or violate any law or ordinance, or commit a waste or nuisance on or about the Premises.

16. ☒ (If checked) **CONDOMINIUM; PLANNED UNIT DEVELOPMENT:**

The Premises is a unit in a condominium, planned unit development, common interest subdivision or other development governed by a homeowners' association ("HOA"). The name of the HOA is Vantis Maintenance Corp. Tenant agrees to comply with all HOA covenants, conditions and restrictions, bylaws, rules and regulations and decisions, and Landlord has provided or shall provide Tenant with copies of them. Landlord shall be responsible for paying HOA fines imposed due to actions or omissions caused by Landlord or its agents or representatives. Tenant shall be responsible for paying HOA fines imposed due to actions or omissions caused by Tenant, its agents, representatives, guests, invitees, subtenants, and their guests and invitees.

17. EQUIPMENT; ALTERATIONS; REPAIRS: Unless otherwise required by law, without Landlord's prior written consent: (i) Tenant shall not make any repairs, alterations or improvements in or about the Premises including: painting, wallpapering, adding or changing locks, installing antenna or satellite dish(es), placing signs, displays or exhibits, or using screws, fastening devices, large nails or adhesive materials; (ii) Landlord shall not be responsible for the costs of alterations or repairs made by Tenant; (iii) Tenant shall not deduct from Rent the costs of any repairs, alterations or improvements; and (iv) any deduction made by Tenant shall be considered unpaid Rent.

Any equipment, fixtures, or improvements (including, without limitation, water treatment and water filtration equipment) installed by the Landlord (whether purchased by the Landlord or the Tenant) shall remain the property of the Landlord and shall remain on the Premises after the expiration or earlier termination of the Lease. Any equipment, fixtures, or improvements (including, without limitation, fencing) shall only be installed by the Tenant after written approval by the Landlord and shall become the property of the Landlord at the expiration or earlier termination of the Lease. The Landlord may require the Tenant to remove any such equipment, fixtures, or improvements (whether installed by

the Landlord or the Tenant) and restore the Premises to their original condition at the Tenant's expense.

Any appliances installed or placed in the Premises by the Landlord shall remain the property of the Landlord and shall not be removed by the Tenant. Landlord will supply the Premises with appliances including a refrigerator and washer and dryer, however Tenant will be responsible for those appliances' maintenance and repair. Landlord agrees to supply new appliances for the Premises every five (5) years.

18. KEYS; LOCKS:

A. Tenant acknowledges receipt of (or Tenant will receive prior to the Commencement Date):

☒ ____2____ key(s) to the Premises

☒ ___1___ remote control device(s) for garage door/gate opener(s)

☒ ____1____ key(s) to mailbox

☐ _____ key(s) to common area(s), if applicable

B. If Tenant re-keys existing locks or opening devices (with or without Landlord's consent), Tenant shall immediately deliver copies of all keys to Landlord. Tenant shall pay all costs and charges related to loss of any keys or opening devices. Tenant may not remove locks, even if installed by Tenant.

19. ENTRY:

A. Tenant shall make Premises available to Landlord or Landlord's representative for the purpose of entering to make necessary repairs, or improvements, or to supply necessary or agreed services, or to show Premises to prospective or actual purchasers, tenants, mortgagees, lenders, appraisers, or contractors.

B. Landlord and Tenant agree that 24-hour written notice shall be reasonable and sufficient notice, except that 48-hour written notice is required to conduct an inspection of the Premises prior to the Tenant moving out, unless the Tenant waives the right to such notice. Notice may be given orally to show the Premises to actual or prospective purchasers provided Tenant has been notified in writing within 120 days preceding the oral notice that the Premises are for sale and that oral notice may be given to show the Premises. No notice is required: (i) to enter in case of an emergency; (ii) if the Tenant is present and consents at the time of entry or (iii) if the Tenant has abandoned or surrendered the Premises. No written notice is required if Landlord and Tenant orally agree to an entry for agreed services or repairs.

20. SIGNS: Tenant authorizes Landlord to place FOR SALE/LEASE signs on the Premises.

21. **ASSIGNMENT AND SUBLETTING:** Tenant shall be authorized to sublet the entirety of the Premises pursuant to the restrictions provided herein, including, without limitation, Section 1. Any subletting of Premises or this Lease or tenancy, by voluntary act of Tenant, operation of law or otherwise, in violation of the provisions of this Lease shall be grounds for Landlord to terminate this Lease. For purposes of this Lease, "subletting" shall be defined broadly to include formal or informal arrangements, whether in writing or oral, for any consideration or no consideration, by which Tenant is not using the Premises as his/her primary residence, but individuals other than Tenant are using the Premises as their primary residence, regardless of who is paying the Rent.

22. **JOINT AND SEVERAL OBLIGATIONS:** lf there is more than one Tenant, each one shall be completely responsible for the performance of all obligations of Tenant under this Lease, jointly and severally with every other Tenant, whether or not in possession.

23. **MEGAN'S LAW DATABASE DISCLOSURE:** Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Landlord is not required to check this website. If Tenant wants further information, Tenant should obtain information directly from this website.)

24. **MOLD AND MILDEW WARNING NOTICE:** Mold and mildew may be injurious to one's health; therefore, Tenant acknowledges that: (a) Tenant has inspected the Premises, and every part thereof, at the outset of the tenancy; (b) Tenant has found no signs of moisture, mold or mildew therein; (c) Tenant shall: (i) keep the Premises well-ventilated, clean and dry any signs of mold or mildew from all surfaces, (ii) promptly notify Landlord of any dampness (from leaks, overflows, water intrusion, etc.); and (iii) promptly notify Landlord of any mold, as well as any malfunction of ventilation, air conditioning or heating systems. Tenant shall be liable for any costs, expenses, injuries, damages and claims that may result from any failure to perform the foregoing duties.

25. **TOXIC SUBSTANCE WARNING:** Landlord is required to give you notice that areas on this property contain or may contain one or more of some 700 + toxic substances and chemicals substances, such as swimming pool disinfectant, cleaning substances, automobile exhaust fumes, barbeque or second-hand cigarette smoke, laundry room fluids or emissions, lead paint, asbestos, etc., known to the State of California to cause cancer, reproductive toxicity, birth defects and reproductive harm.

26. **TENANT'S OBLIGATIONS UPON VACATING PREMISES:**

A. Upon the expiration or earlier termination of this Lease, Tenant shall: (i) give Landlord all copies of all keys or opening devices to Premises, including any mailboxes, pools, gates, common areas and all garage door openers; (ii) vacate and surrender Premises to Landlord, empty of all personal property and persons; (iii) vacate any/all parking and/or storage space; (iv) clean and deliver Premises to

Landlord in good and broom-clean condition; (v) remove all debris; and (vi) give written notice to Landlord of Tenant's forwarding address.

B. All alterations/improvements made by or caused to be made by Tenant and/or Authorized Occupants, with or without Landlord's consent, shall become the property of Landlord upon the expiration or earlier termination of this Lease. At Landlord's discretion, Landlord may, but is not obligated to, restore the Premises to the condition they were in prior to any alterations/improvements that were not approved in writing by Landlord. In such a case, Tenant shall reimburse Landlord, as additional Rent, within ten (10) days after written demand for costs of restoration.

27. HOLDOVER: Tenant shall not remain in possession of or hold over on the Premises after the termination of the Lease Term. To the extent Tenant does hold over after the expiration of the Lease Term, the provisions of this Lease shall continue to apply with the exception that the Lease Term shall not be deemed to be extended

28. TEMPORARY RELOCATION: Subject to local law, Tenant agrees, upon demand of Landlord, to temporarily vacate Premises for a reasonable period, to allow for fumigation (or other methods) to control wood destroying pests or organisms, or other repairs to Premises. Tenant agrees to comply with all instructions and requirements necessary to prepare Premises to accommodate pest control, fumigation or other work, including bagging or storage of food and medicine, and removal of perishables and valuables. Tenant shall only be entitled to a credit of Rent equal to the per diem Rent for the period of time Tenant is required to vacate Premises. Unless Landlord expressly agrees in writing to pay relocation benefits, Tenant hereby waives any and all rights it may have to relocation benefits under California law.

29. DAMAGE: If, by no fault of Tenant, Premises are totally or partially damaged or destroyed by fire, earthquake, accident or other casualty that render Premises totally or partially uninhabitable, either Landlord or Tenant may terminate this Agreement by giving the other written notice and Rent shall be abated as of the date Premises become totally or partially uninhabitable. Landlord may also terminate this Lease upon written notice to Tenant if damage to the condominium complex occurs which will cost in excess of 20% of the replacement cost of the complex to repair. If this Lease is not terminated, Landlord shall promptly repair the damage, and Rent shall be reduced based on the extent to which the damage interferes with Tenant's reasonable use of Premises. If damage occurs as a result of an act of Tenant or Tenant's guests, only Landlord shall have the right of termination, and no reduction in Rent shall be made.

30. INSURANCE: Tenant's, Authorized Occupant's, or guest's personal property and vehicles are not insured by Landlord, manager or HOA, against loss or damage due to fire, theft, vandalism, rain, water, criminal or negligent acts of others, or any other cause. Tenant is advised to carry Tenant's own insurance to protect Tenant from any such loss or damage. Tenant shall comply with any requirement imposed on Tenant by Landlord's insurer to avoid: (i) an increase in Landlord's insurance premium (or Tenant shall pay for the increase in premium); or (ii) loss of insurance.

31. **WAIVER:** The waiver of any breach shall not be construed as a continuing waiver of the same or any subsequent breach. Landlord does not waive any rights by accepting rent or by failing to enforce any terms of this Lease. Landlord's acceptance of rent with knowledge that Tenant has violated the Lease shall not waive or affect Landlord's right to evict Tenant.

32. **NOTICES:** Notices may be served at the following address, or at any other location subsequently designated:

Landlord:	City of Aliso Viejo 12 Journey Aliso Viejo, CA 92656 Attn: City Clerk	Tenant:	To FAM 1030 Calle Negocio San Clemente, CA 92673

33. **TENANT ESTOPPEL CERTIFICATE:** Tenant shall execute and return, from time to time, a tenant estoppel certificate delivered to Tenant by Landlord, containing such information regarding this Lease and the Premises as Landlord may request, within five (5) business days. Failure to comply with this requirement shall be deemed Tenant's acknowledgment that the tenant estoppel certificate is true and correct, and may be relied upon by Landlord and a lender or purchaser.

34. **MEDIATION:**

A. Subject to Section 34B below, Landlord and Tenant agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to court action. Mediation fees, if any, shall be divided equally between Landlord and Tenant. If, for any dispute or claim to which this Section applies, any party commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover its attorneys' fees, even if they would otherwise be available to that party in any such action.

B. The following matters are excluded from mediation: (i) an unlawful detainer action; (ii) any matter within the jurisdiction of a probate, small claims or bankruptcy court; (iii) an action for injunctive relief; (iv) an action for attachment.

35. **ATTORNEYS' FEES:** In any action or proceeding arising out of this Lease, the prevailing party between Landlord and Tenant shall be entitled to reasonable attorneys' fees and costs, except as provided in Section 37A above.

36. **ENTIRE CONTRACT; SEVERABILITY; AMENDMENTS:** All understandings between the parties are incorporated in this Lease. The terms are intended by the parties as a final, complete and exclusive expression of their agreement with respect to its subject matter, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Lease is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed except in writing.

37. LANDLORD IS ACTING IN ITS PROPRIETARY CAPACITY (NOT GOVERNMENTAL CAPACITY): In entering into this Lease, Landlord is acting in its proprietary capacity as a party to a contract, and not in its governmental capacity; consequently, nothing in this Lease shall be construed to modify or waive Landlord's rights in its governmental capacity, all of which are hereby reserved.

38. ASSUMPTION OF RISK, WAIVER, AND LANDLORD'S NON-LIABILITY. To the maximum extent allowed by law, except Landlord's willful or actively negligent acts, Tenant assumes any and all risk of loss, damage or injury of any kind to any person or property which is on or about the Premises. Tenant's assumption of risk shall include, without limitation, loss or damage caused by defects within the Premises or any fixture therein, accident, fire or other casualty on the Premises. To the maximum extent allowed by law, except for Landlord's willful or actively negligent acts, Tenant hereby waives all claims and demands against Landlord, its respective officials, officers, employees, volunteers and agents for injury to persons, damage to property or any other interest of Tenant sustained by Tenant or any person claiming to be Tenant resulting from any occurrence on or about the Premises.

Tenant has been advised by its legal counsel concerning the content and effect of California Civil Code section 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Tenant hereby waives the benefits of Civil Code section 1542 and all other state or federal statutes or judicial decisions of similar effect. The provisions of this Section shall survive the termination or expiration of this Lease.

By its initials below, Tenant acknowledges it agrees with the statements contained in this section.

_____ Tenant's Initials

INDEMNITY: Tenant agrees to defend, indemnify and hold harmless Landlord, its respective officials, officers, employees, volunteers and agents (collectively, "Indemnified Parties") from and against any and all claims, including any and all claims relating to or arising from this Lease, any sublease, the Premises or Tenant's or its officials, officers, employees, volunteers, agents, guests, licensees, invitees, or subtenants' possession, use, occupancy, management, operation, repair, maintenance or control of the Premises, or any portion thereof, except for Landlord's willful or actively negligent acts, specifically including, without limitation, any loss, action, damages, liability, or expense (including attorneys' fees) arising by reason of the following:

A. The death or injury of any person or persons, including Tenant or any person who is an official, officer, employee, volunteer, agent, guest, licensee, invitee, or subtenant of Tenant, or by reason of the damage or destruction of any property, including property owned by Tenant or any person who is an employee, agent, guest

or subtenant of Tenant, and caused or allegedly caused by either the condition of said premises, or some act or omission of Tenant or of some agent, contractor, employee, servant, guest or subtenant of Tenant on the Premises;

B. The willful or negligent act or omission of Tenant or Tenant's officials, officers, employees, volunteers, agents, guests, licensees, invitees, or subtenants (if applicable);

C. The breach, default, violation or nonperformance of this Lease by Tenant;

D. Tenant's failure to comply with any requirement of local, state or federal law or any requirement imposed by Landlord or by any duly authorized governmental agency or political subdivision.

Tenant must pay, satisfy and discharge any and all money judgments that may be recovered against any Indemnified Party in connection with the foregoing. Tenant's obligation hereunder shall survive termination of this Lease, and shall not be restricted to insurance proceeds, if any, received by any Indemnified Party.

Upon written request from an Indemnified Party, Tenant shall defend (with counsel acceptable to that Indemnified Party, in the Indemnified Party's discretion) any claim, including any claim relating to or arising from Tenant's possession, use, occupancy, management, operation, repair, maintenance or control of the Premises, lawsuit, administrative action or other proceeding brought against the Indemnified Party by any public body, individual, partnership, corporation, or other legal entity, relating to any matter covered by this Lease for which Tenant has an obligation to indemnify. Tenant shall pay all reasonable costs incident to such defense, including, but not limited to, attorneys' fees, investigators' fees, litigation expenses, settlement payments, and amounts paid in satisfaction of judgments. The obligations of Tenant to this section .19 shall survive the expiration of the Term and termination this Lease.

39. TIME OF ESSENCE: Time is of the essence of each and every provision of this Lease in which time is a factor.

40. EXECUTION IN COUNTERPARTS: Counterpart originals of this Lease may be executed, each of which, and all of which together, shall constitute one-and-the same agreement.

41. POSSESSORY INTEREST TAX: Landlord hereby informs Tenant that a form of property tax called a "possessory interest tax" may apply to Tenant's interest under this Lease. Tenant shall pay all such possessory interest taxes, as assessed to Tenant, before they become delinquent, and may submit proof of payment of such tax to Landlord for prompt reimbursement.

42. WAIVER OF RELIEF FROM FORFEITURE: To the extent not prohibited by law, Tenant hereby waives and agrees not to assert any rights or benefits under California Code of Civil Procedure Section 1179 permitting a court to relieve a tenant from forfeiture of a Lease and restore him to or her to tenancy in the case of "hardship".

43. **COUNCIL AUTHORITY TO AMEND:** The Aliso Viejo City Manager ("City Manager") shall have the authority (but not any obligation) to amend this Lease on behalf of the Landlord/City provided the amendment is express, in writing and executed by the City Manager and the Tenant.

44. **COMPLIANCE WITH LAWS:** Neither Tenant, nor Tenant's guests or invitees, shall violate any law or commit or permit any waste, damage to, or nuisance in or about, the Premises, or in any way annoy any other tenant, or operate any business in or about the Premises, or do or keep anything in or about the Premises that will obstruct the common areas or usage thereof, or increase Landlord's insurance premiums.

45. **NON-CURABLE BREACH OF AGREEMENT:** The following, by way of illustration and not limitation, shall constitute a non-curable breach of this Agreement: (a) Police raid upon the Premises resulting in the arrest and conviction of Tenant for possession/sale/storage of any illegal narcotic/controlled substance/chemical or herbal contraband, in or about the Premises, or for aiding and abetting any family member, occupant, guest or visitor in any such activity; (b) Misrepresentation or material omission on Tenant's Rental Application vitiating the tenancy.

(Signatures on Next Page)

IN WITNESS WHEREOF, Landlord and Tenant have executed and delivered this Lease as of the date first written above.

LANDLORD:

CITY OF ALISO VIEJO,
a California municipal corporation

By:
David Doyle
City Manager

ATTEST:

_____
Mitzi Ortiz, City Clerk

TENANT:

FAMILY ASSISTANCE MINISTRIES,
a California public benefit corporation

_____
Print Name/Title:_____

_____
Print Name/Title: _____

EXHIBIT "A"

FAM PROGRAM GUIDELINES

Interim Housing Guidelines

- Resident:
- Meets project eligibility requirements (applicant must have ties to the South Service Planning Area, with priority given to an applicant who lives, works, or attends an institution in Aliso Viejo)
- Provides proof of income
- Complies with occupancy standards (maximum person occupying the unit)
- Follows application screening practices, such as:
    - Credit reporting guidelines
    - Eviction history or process
    - Rental History
    - Criminal history
- Abides by the good neighbor policy and follow community rules and expectations
- Meets rental obligation which is not to exceed 30% of total monthly income
- Complies with expectations listed in sublease including occupancy limits, rental commitment, parking designations, use of community spaces, noise ordinance, etc.

- Family Assistance Ministries:
- Perform monthly unit visits in coordination with case management activities
- Connect resident to support services to assist in increasing income and/or decreasing expenses
- Support residents' goal to obtain permanent housing as quickly as possible and in no longer than 24 months
- Maintain positive relationships with community members surrounding the rental unit.
- Respond to concerns immediately or within 24 hours of receiving notice.
- Provide support to furnish the rental unit with necessary living items, such a dining room table, chairs and beds for each resident.
- Provide City of Aliso Viejo with quarterly updates or as requested.

- Project Goals:
- Collaborate with the City of Aliso Viejo to move families experiencing homelessness into safe housing options.
- Rental unit is used to prioritize a family (up to 5 individuals) for up to 24 months to stabilize and gain access to permanent housing.
- Progress towards housing will be supported and measured by a designated Case Manager. Case Manager will be trained in social services, trauma informed care, motivational interviewing and housing first to ensure quality services are provided to the program residents/participants.

EXHIBIT "B"

INCOME CERTIFICATION FORM

Income Certification Form

NOTE TO TENANT: This form is designed to assist you in computing "Adjusted Income" in accordance with the method set forth in the United States Department of Housing and Urban Development ("HUD") Regulations at United States Code of Federal Regulations, Title 24, Part 5, Section 5.611. You should make certain that this form is at all times up-to-date with the HUD Regulations.

Re: **38 Colonial Way, Aliso Viejo, CA 92656**

Members of Household. I/We, the undersigned state that I/we have read and answered fully, frankly and personally each of the following questions for all persons who are to occupy the unit being applied for in the above apartment project. Listed below are the names of all persons who intend to reside in the unit:

Names of Members of Household	**Relationship to Head of Household**	**Age**	**Social Security Number**	**Place of Employment**

Adjusted Income Computation. The total anticipated annual income, calculated in accordance with the provisions of this Section 2, of all persons over the age of 18 years listed in Section 1 for the 12-month period beginning the date that: (i) I/we plan to move into a unit; or (ii) the date of this Certification, whichever is later, is $ _____.

Annual income means all amounts, monetary or not, which:

Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or

Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

Which are not specifically excluded in paragraph (c) of this Section 2.

Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

Annual income includes, but is not limited to:

The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;

The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of $5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this Section 2);

Payments in lieu of earnings, such as unemployment and disability compensation, workers compensation and severance pay (except as provided in paragraph (c)(3) of this Section 2);

Welfare assistance payments.

Welfare assistance payments made under the Temporary Assistance for Needy Families (TAN) program are included in annual income only to the extent such payments:

Qualify as assistance under the TAN program definition at 45 C.F.R. 260.31; and

Are not otherwise excluded under paragraph (c) of this Section 2.

If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;

All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this Section 2).

Annual income does not include the following:

Income from employment of children (including foster children) under the age of 18 years;

Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);

Lump-sum additions to family assets, such as inheritances, gifts, insurance payments (including payments under health and accident insurance and workers compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this Section 2);

Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;

Income of a live-in aide, as defined in 24 C.F.R. 5.403;

The full amount of student financial assistance paid directly to the student or to the educational institution;

The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;

- Amounts received under training programs funded by HUD;

Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);

Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;

Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed $200 per month) received by a resident for performing a service for City or FAM, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the City Council. No resident may receive more than one such stipend during the same period of time;

Incremental earnings and benefits resulting to any family member from participation in qualifying California or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;

Temporary, nonrecurring or sporadic income (including gifts);

Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;

Earnings in excess of $480 for each full-time student 18 years old or older (excluding the head of household and spouse);

Adoption assistance payments in excess of $480 per adopted child;

[Reserved]

Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts;

Amounts received by the family in the form of refunds or rebates under California or local law for property taxes paid on the Unit;

Amounts paid by a California agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or

Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 C.F.R. 5.609(c) apply.

Capital Asset and Savings Information. Do the persons whose income or contributions are included in Section 2 above:

have savings, stocks, bonds, equity in real property or other form of capital investment (excluding the values of necessary items of personal property such as furniture and automobiles and interests in Indian trust land)? ___ Yes ____ No; or

have they disposed of any assets (other than at a foreclosure or bankruptcy sale) during the last two years at less than fair market value? ___Yes ___No

If the answer to (a) or (b) above is yes, does the combined total value of all such assets owned or disposed of by all such persons total more than $5,000? ___Yes ___No

If the answer to (c) is yes, state:

the amount of income expected to be derived from such assets in the 12-month period beginning on the date of initial occupancy in the unit that you propose to rent: $_____; and

the amount of such income, if any, that was included in Section 2 above: $_____

Full-Time Student Information.

Are all of the individuals who propose to reside in the unit full-time students*? ____Yes ____No

*A full-time student is an individual enrolled as a full-time student during each of five calendar months during the calendar year in which occupancy of the unit begins at an educational organization which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of students in attendance and is not an individual pursuing a full-time course of institutional or farm training under the supervision of an accredited agent of such an educational organization or of a state or political subdivision thereof.

If the answer to 4(a) is yes, is at least one of the proposed occupants of the unit a husband and wife entitled to file a joint federal income tax return? ____Yes ____No

No Relationship With Owner or FAM. Neither myself nor any other occupant of the unit I/we propose to rent is an owner of the rental housing project in which the unit is located (hereinafter the "Owner"), has any family relationship to Owner or owns, directly or indirectly, any interest in the ownership. For purposes of this section, indirect ownership by an individual shall mean ownership by a family member, ownership by a corporation, partnership, estate or trust in proportion to the ownership or beneficial interest in such corporation, partnership, estate or trust held by the individual or a family member, and ownership, direct or indirect, by a partner of the individual.

Certification of Accuracy of Information. This certificate is made with the knowledge that it will be relied upon by FAM to determine maximum income for eligibility to occupy the unit; and I/we declare that all information set forth herein is true, correct and complete and, based upon information I/we deem reliable and that the statement of total anticipated income contained in this Section 2 is reasonable and based upon such investigation as the undersigned deemed necessary. I/we acknowledge that I/we have been advised that the making of any misrepresentation or misstatement in this declaration will constitute a material breach of my/our agreement with FAM to lease the unit and will entitle FAM to prevent or terminate my/our occupancy of the unit by institution of an action for eviction or other appropriate action or proceedings. I/we will assist FAM in obtaining any information or documents required to verify the statements made herein, including either an income verification from my/our present employer(s) or copies of federal tax returns for the immediately preceding calendar year.

Housing Issuer Statistical Information (Optional--will be used for reporting purposes only):

Marital Status: _____

Race (Head of Household)

White _____ Asian _____ Hispanic _____
African-American _____ Native American _____ Other _____

Physical Disability: Yes _____ No _____

I/we declare under penalty of perjury under the laws of the United States of America and the laws of the State of California that the foregoing is true and correct.

Executed this _____ day of_____, ____ in the County of Orange, California.

_____
Applicant

_____
Applicant

[Signature of all persons over the age of 18 years listed in Section 2 above required]

FOR COMPLETION BY FAM ONLY:

Calculation of eligible income:

(a) Enter amount entered for entire household in Section 2: $_____

(b) (1) If answer to Section 3(c) is "yes," enter the total amount entered in paragraph 3(d)(1), subtract from that figure the amount entered in 3(d)(2) and enter the remaining balance ($_____);

(2) Multiply the amount entered in Section 8(b)(1) times the current passbook savings rate to determine what the total annual earnings on the amount in Section 8(b)(1) would be if invested in passbook savings ($_____), subtract from that figure the amount entered in Section 8(b)(1) and enter the remaining balance

(3) Enter at right the greater of the amount calculated under (1) or (2) above: $_____;

(c) TOTAL ELIGIBLE INCOME
(Line 8(a) plus line 8(b)(3)): $_____

The amount entered in Line 8(c):

_____ Qualifies the applicant(s) as a **[insert income category of Qualified Household.]**

_____ Does not qualify the applicant(s) as a Qualified Household.

Unit number assigned: _____

Rent: $_____ monthly/annually

The unit specified in Section 10 above [was/was not] last occupied for a period of, at least, 31 consecutive days by persons whose aggregate anticipated annual income, as certified in the above manner upon their initial occupancy of the unit, qualified them as a Qualified Household that was a _____ Household (very low or lower income household).

Method used to verify applicant(s) income:

_____ Employer income verification.

_____ Copies of tax returns.

_____ Other (_____)

_____
Management Agent

The undersigned employee has applied for a rental unit located in a project owned by the City of Aliso Viejo for persons of very low and lower income. Every income statement of a prospective tenant must be stringently verified. Please indicate below the employee's current annual income from wages, overtime, bonuses, commissions or any other form of compensation received on a regular basis.

Annual wages _____ Overtime _____ Bonuses _____
Commissions _____

Total current income _____

I hereby certify under penalty of perjury under the laws of the United States of America and the laws of the State of California that the statements above are true and complete to the best of my knowledge.

_____ _____ _____
Signature Date Title

I hereby grant you permission to disclose my income to _____ in order that they may determine my income eligibility for rental of a residential property at 35 Playa Circle, Aliso Viejo, California.

_____ _____
Signature Date

Please send to: _____
_____
_____

I hereby attach copies of my individual federal and state income tax returns for the immediately preceding calendar year and certify under penalty of perjury under the laws of the United States of America and the laws of the State of California that the information shown in such income tax returns is true and complete to the best of my knowledge.

_____ _____
Signature Date

EXHIBIT "C"

PET AGREEMENT

PET AGREEMENT

LANDLORD: City of Aliso Viejo, CA

TENANT: _____

PREMISES: 35 Playa Circle, Aliso Viejo, CA 92656

DOG(S): None CAT(S): None

Breed(s): _____ Breed(s): _____

Name(s): _____ Name(s): _____

Tenant, in consideration of this agreement which is incorporated into the rental agreement, shall abide by the following terms, each of which is material:

1. Pet(s) allowed: The only pet(s) which the tenant shall keep on the premises are described above.

2. Repair and/or Replacement: Tenant shall either, at the sole election of the landlord, repair in a workmanlike manner or reimburse the landlord for the costs of said repair, upon a demand contained in a three day notice to perform or quit, any damages to the premises or its furnishings and improvements, caused by the pet(s).

3. Dogs: Dogs must be neutered. Dogs must be leashed, at all times, outside the premises. Dogs shall not be allowed to defecate on or about the premises. Any such defecation must be immediately removed and either wrapped or bagged. Unwrapped defecation shall not be placed in any trash container. Dogs must not bark or howl or in any way become a nuisance or threat to the other tenants of the premises. Dogs shall be kept free of fleas and tenant is responsible for the costs of any and all flea infestation treatment which may be required, at the sole discretion of the landlord. Tenant represents that their dog(s) is/are housebroken.

4. Cats: Cats must be neutered. Cats must be kept inside the premises at all times unless the premises is a single family dwelling. A litter box must be maintained inside the premises and it must be kept clean. Litter must be bagged before being placed into trash.

5. Feeding: No pet may be fed outside the dwelling unit or fed over any uncovered carpeting.

6. Laws and ordinances: Tenant shall obey all pertinent laws and ordinances.

7. Breach of Covenant: The breach of any covenant of this agreement, following the service of a three day notice to perform or quit on the tenant, shall be deemed a material breach of the rental agreement and will entitle the landlord to restitution of the premises, and such other damages as may be recoverable pursuant to the terms of the rental agreement.

8. Unattended Pet: No pet shall be left unattended for more than twenty-four hours. When tenant is on vacation or away from the premises for more than twenty-four hours, the pet must be taken to a pet care facility. Strangers to the tenancy shall not be allowed to enter the premises to care for the pet.

9. Abandonment of Pet: Any pet left at the premises following either voluntary vacation by the tenant or lockout pursuant to court order shall be deemed abandoned. The landlord has no responsibility for the care, feeding, and maintenance of the pet, and may immediately turn the pet over to any local animal control authority.

10. Complete Agreement: This is the complete agreement between the parties concerning pet(s).

11. Modification of Agreement: This agreement may only be modified by an agreement in writing signed by both parties.

12. Waiver: The acceptance of rent by the landlord from the tenant after a breach or purported breach of this agreement shall not be considered a waiver of any covenant herein.

13. Indemnity and Hold Harmless: The tenant shall indemnify the landlord and hold the landlord harmless from any and all damages, inconveniences, and nuisance which may be caused by the pet, and will reimburse landlord for all expenses occasioned thereby.

14. Liability insurance covering injuries or damages caused by Tenant’s pet(s), with a minimum limit per incident as specified by Landlord, showing Landlord as an additional insured, shall be purchased by Tenant and kept in effect during the tenancy on Landlord's demand.

_____ _____

Tenant Date

_____ _____

Tenant Date

_____ _____

Landlord Date

EXHIBIT "D"

RULES AND REGULATIONS

1. Landlord is not responsible for providing any security, and shall not be responsible for fire, theft of personal property, including jewelry, money, apparel or other items in the Premises, storage areas, carports, garages, common area or mailboxes.

2. No unnecessary noise is allowed at any time. All musical instruments, television sets, radios, stereos, etc. are to be played only at a volume that does not disturb neighbors and other residents.

3. All appliances including garbage disposal and dishwasher are to be operated only in accordance with factory recommendations, instructions delivered to you or posted instructions.

4. No alterations may be done without prior written consent from Landlord. Any drapes and carpets must be given good care and kept free of spots, burns and other damage. Notwithstanding the foregoing, if a Tenant paints a unit, upon move-out, the Tenant must re-paint the unit in its original color, or will be held financially liable for the cost of re-painting the unit.

5. Cost of repairs to or stoppage of, waste pipes or drains, water pipes, plumbing fixtures or overflow therefrom caused by negligent or improper usage, or the introduction of foreign articles or materials into the system, will be the responsibility of and must be paid for by the Tenant.

6. No rugs, towels, articles of clothing or other such items are to be draped over the rails of balconies, and no mops or rugs are to be shaken from same or through window openings.

7. The storage of gasoline or other combustibles is prohibited.

8. Residents are responsible for the conduct of their licensees, guests and contractors and the adherence to these rules at all times. Intoxication, disorderly conduct, objectionable language or other disturbance by residents or visitors are not permitted.

9. No trash or other material may be accumulated that will create a hazard or be in violation of any health, fire or safety ordinance or regulation. Premises must be kept clean and sanitary and free from objectionable odors.

10. Vehicles parked in violation of the Lease may be towed away at the Tenant's expense.

11. No personal belongings, including bicycles, equipment or other items may be placed in halls, stairways or <u>any</u> common areas except in areas where expressly allowed by posted signage.

CITY OF ALISO VIEJO

FAM IS HONORED TO CONTINUE OUR PARTNERSHIP IN PREVENTING AND ENDING HUNGER AND HOMELESSNESS FOR ALISO VIEJO RESIDENTS. EACH RESIDENT WHO CONNECTS WITH FAM FIND A CUSTOMIZED PLAN THROUGH CASE MANAGEMENT, PROVISION OF FOOD, PERSONAL CARE ITEMS, DIAPERS, RENTAL AND UTILITY ASSISTANCE.

WE'D LIKE TO SHARE SOME CURRENT INFORMATION ABOUT THE ONGOING NEEDS OF ALISO VIEJO RESIDENTS POST PANDEMIC.

MARCH - JANUARY 2022	
RESIDENTS SERVED	500
HOUSEHOLDS SERVED	159
CHILDREN SERVED	200
ENCOUNTERS WITH PEOPLE	2,355
SENIORS SERVED	92

MARCH - JANUARY 2023	
RESIDENTS SERVED	333
HOUSEHOLDS SERVED	149
CHILDREN SERVED	139
ENCOUNTERS WITH PEOPLE	2,381
SENIORS SERVED	78

CITY OF ALISO VIEJO RESIDENTS

49,749 MEALS PROVIDED

66 NEW HOUSEHOLDS

59,699 POUNDS OF FOOD

FAM HAS A FULL HOUSING CONTINUUM TO INCLUDE THIRTY-SIX BEDS AT FAMILY HOUSE, THE ONLY EMERGENCY SHELTER FOR FAMILIES IN SOUTH ORANGE COUNTY SERVING SINGLE DADS, SINGLE MOMS, DUAL PARENT HOUSEHOLDS AND PREGNANT WOMEN; SIXTEEN-BED GILCHRIST HOUSE SHELTER FOR HOMELESS WOMEN AND HOMELESS MOTHERS WITH CHILDREN WITHIN 22 MILES ; PERMANENT HOUSING SUPPORT, RENTAL ASSISTANCE TO AVOID EVICTION AND UTILITY ASSISTANCE TO AVOID SHUT-OFF OR RESUME SERVICES.

SANDRA'S STORY



SANDRA DIDN'T GO INTO THE MARRIAGE KNOWING WHAT SHE KNOWS NOW. SHE FOUND HERSELF ON THE STREETS IN SOUTH OC LIVING IN HER CAR WITH TWO CHILDREN, ONE WITH SPECIAL NEEDS. SHE DIDN'T SLEEP MUCH BECAUSE SHE WAS SCARED. THEY DIDN'T EAT MUCH BECAUSE FUNDS WERE SCARCE. THEN SHE MET A WOMAN WHO TOLD HER ABOUT FAM. NOW IN FAM'S SHELTER, SANDRA AND HER CHILDREN ARE SAFE, WELL FED, WARM AND WORKING A PLAN TO GET BACK ON THEIR OWN TWO FEET.

City of Aliso Viejo
AGENDA ITEM

DATE: January 18, 2023

TO: Mayor and City Council

FROM: David Doyle, City Manager
Patricia Cantonwine, HR Analyst

SUBJECT: RESOLUTION UPDATING SALARY SCHEDULE DUE TO MINIMUM WAGE INCREASE

Recommended Action:

Adopt a Resolution to update the salary schedule due to increase in minimum wage.

Fiscal Impact:

The fiscal impact to increase the salary ranges for the Recreation Leader and Senior Recreation Leader is estimated to be less than $1,000 for the remaining fiscal year and will be absorbed in the current budget.

Background:

In April 2016, Senate Bill 3 ("SB3") was signed into law, which amended California Labor Code §1182.12 and gradually increased California's minimum wage to $15.00 per hour by January 1, 2022. SB3 also stated that after the minimum wage reaches $15.00 an hour, the minimum wage rate may be adjusted annually for inflation. Specifically, section 246 of the California Labor Code states that minimum wage shall automatically increase when inflation exceeds 7% for the prior year, based on the national consumer price index for urban wage earners and clerical workers ("CPI"). Since the CPI exceeded 7%, Governor Newsom announced on May 12, 2022, that California's minimum wage shall increase to $15.50 per hour for all workers beginning on January 1, 2023. The range minimum of the City's salary ranges must be at least the State's set minimum wage.

Discussion:

The only City position that has a starting rate below the State minimum wage is the Recreation Leader position. Although all incumbent Recreation Leaders are being paid according to the State's 2023 minimum wage requirements, the salary range for the position needs to be updated so the minimum hourly rate meets the minimum wage rate. In addition, to prevent compaction between the Recreation Leader and Senior Recreation

Leader positions, an adjustment for the Senior Recreation Leader hourly range is also being proposed.

Currently, there are two Senior Recreation Leaders that are being paid at the minimum of the current range and would need to be increased by 3.33% to meet the proposed ranges below. The fiscal impact for these increases is estimated to be less than $1,000 for the remaining fiscal year and will be absorbed in the current budget.

Current Salary Ranges	**Hourly Range Minimum**	**Hourly Control Point**	**Hourly Range Maximum**
Recreation Leader	$ 15.00	$ 16.66	$ 20.00
Senior Recreation Leader	$ 17.25	$ 19.16	$ 23.00
Proposed Salary Ranges			
Recreation Leader	$ 15.50	$ 17.21	$ 20.66
Senior Recreation Leader	$ 17.82	$ 19.79	$ 23.76

Attachments:

1. Resolution

2. Salary Schedule

RESOLUTION NO. 2023 - XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, APPROVING A SALARY SCHEDULE TO COMPLY WITH CALIFORNIA MINIMUM WAGE RATE

WHEREAS, In April 2016, Senate Bill 3 ("SB3") was signed into law, which amended California Labor Code §1182.12 and gradually increased California's minimum wage to $15.00 per hour by January 1, 2022; and

WHEREAS, section 246 of the California Labor Code states that minimum wage shall automatically increase when inflation exceeds 7% for the prior year, based on the national consumer price index for urban wage earners and clerical workers ("CPI"); and

WHEREAS, since the CPI exceeded 7%, Governor Newsom announced on May 12, 2022, that the California's minimum wage shall increase to $15.50 per hour, or 3.33%, for all workers beginning on January 1, 2023; and

WHEREAS, the City must update the hourly range for the Recreation Leader position to meet the minimum wage requirements and additionally update the Senior Recreation Leader hourly range to avoid compaction between the two positions.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALISO VIEJO AS FOLLOWS:

Section 1. Effective January 1, 2023, the following part-time hourly ranges shall be adjusted to meet the State of California's minimum wage and to allow an appropriate wage gap between Recreation Leader and Senior Recreation Leader position. The ranges shall be adjusted and included in the City's Salary Schedule (Exhibit A).

Effective January 1, 2023:

Position Title	Hourly Range Minimum	Hourly Control Point	Hourly Range Maximum
Recreation Leader	$15.50	$17.21	$20.66
Senior Recreation Leader	$17.82	$19.79	$23.76

PASSED, APPROVED AND ADOPTED this 18th day of January 2023.

Richard Hurt
Mayor

APPROVED AS TO FORM:

Scott C. Smith
City Attorney

ATTEST:

Mitzi Ortiz, MMC
City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF ALISO VIEJO)

I, MITZI ORTIZ, City Clerk of the City of Aliso Viejo, California, DO HEREBY CERTIFY that the foregoing is the original of Resolution No. 2023-__ duly passed and adopted by the City Council of the City of Aliso Viejo at their regular meeting held on the 18th day of January, 2023, by the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

_____
MITZI ORTIZ, MMC
CITY CLERK

(SEAL)

City of Aliso Viejo
Salary Schedule
Effective January 1, 2023

Full-Time Classifications	Annual Range Minimum	Annual Control Point	Annual Range Maximum
Accountant	$70,327	$80,586	$96,702
Accountant/Payroll	$66,978	$76,748	$92,098
Accounting Technician	$50,322	$57,662	$69,195
Accounting Supervisor	$96,698	$110,803	$132,959
Administrative Secretary	$54,227	$67,306	$80,767
Assistant Planner	$66,097	$75,738	$90,886
Associate Engineer	$90,398	$103,585	$124,302
Associate Planner	$77,555	$88,867	$106,641
City Clerk	$118,338	$135,596	$162,715
City Manager (Contract)			$313,585
Director of Administrative Services	$154,566	$181,635	$217,963
Director of Community Development	$154,566	$181,635	$217,963
Director of Financial Services/City Treasurer	$154,566	$181,635	$217,963
Director of Government Services	$154,566	$181,635	$217,963
Director of Public Works	$154,566	$181,635	$217,963
Director of Recreation and Community Services	$154,566	$181,635	$217,963
Executive Assistant	$66,882	$76,638	$91,965
Facilities Supervisor	$79,339	$90,910	$109,092
Financial Analyst	$70,327	$80,586	$96,702
Financial Services Manager	$112,514	$128,926	$154,711
Human Resources Analyst	$79,339	$90,910	$109,092
IT Analyst	$70,327	$80,586	$96,702
IT Manager	$115,488	$136,661	$163,993
Junior Accountant	$60,889	$69,772	$83,726
Management Analyst	$72,577	$83,165	$99,797
Office Assistant	$41,364	$47,397	$56,877
Office Specialist	$45,500	$55,643	$66,771
Permit Technician	$60,217	$69,190	$83,028
Planning Technician	$55,720	$63,847	$76,616
Recreation Coordinator	$64,194	$73,558	$88,270
Recreation and Community Services Manager	$107,137	$122,765	$147,317
Recreation and Community Services Supervisor	$73,823	$84,592	$101,510
Recreation Specialist	$45,026	$51,594	$61,913
Secretary to the City Manager	$66,882	$81,438	$97,725
Senior Accountant	$80,876	$92,674	$111,208
Senior Planner	$90,245	$103,409	$124,091
Senior Planner I	$90,245	$113,397	$136,076
Streets Supervisor	$79,339	$90,910	$109,092
Systems Administrator	$84,321	$98,687	$118,423

City of Aliso Viejo
Salary Schedule
Effective January 1, 2023

Elected Officials	Monthly Compensation
Council Members (Municipal Code)	$520
Mayor (Municipal Code)	$520

Part-Time Classifications	Hourly Range Minimum	Hourly Control Point	Hourly Range Maximum
Crime Prevention Specialist	$30.01	$34.39	$41.27
Human Resources Manager	$51.78	$61.49	$71.20
Office Assistant	$19.89	$22.79	$27.34
Planning Aide	$15.74	$18.04	$21.65
Recreation Leader	$15.50	$17.21	$20.66
Senior Recreation Leader	$17.82	$19.79	$23.76

City of Aliso Viejo
AGENDA ITEM

DATE: January 18, 2023

TO: Mayor and City Council

FROM: Ann Eifert, Director of Financial Services

SUBJECT: FIVE-YEAR ECONOMIC DEVELOPMENT SUBSIDY REPORT

Recommended Actions:

1. Conduct a public hearing; and

2. Approve the economic subsidy report.

Fiscal Impact:

There is no fiscal impact to approve the required economic subsidy report.

Background:

EFUEL, LLC, started operations in the City in 2016 and is a wholesale distributer of gasoline, diesel, and other refined petroleum products. On August 17, 2016, the City Council approved an Operating Covenant Agreement with EFUEL to ensure that EFUEL maintains their headquarters and sales office in the City. EFUEL is among the top 25 sales tax revenue generating companies in the City.

The agreement provides for an economic incentive for EFUEL to remain and expand their business operations within the City for 15 years, which in turn provides significant sales tax revenue to the City. Per the agreement, EFUEL receives an amount equal to 50% of any sales tax revenues generated by EFUEL and received by the City up to $800,000. After the initial $800,000 of sales tax revenue collected by the City, EFUEL receives an amount equal to 70% of the sales tax revenue. The term of the agreement is 15 years and expires on June 30, 2031. The agreement may be extended for an additional 15 years, for a total term of 30 years. It was estimated at that time that the City would receive approximately $6 million in net revenue over the term of the agreement.

Discussion:

Government Code 53083 requires that the local agency provide a report after five years of the agreement. The report requires the City to reiterate the details of the operating

covenant agreement and to provide an update on the net tax revenue to the local agency and the net number of jobs created by the economic subsidy.

Since inception of the agreement, EFUEL has generated $4,279,415 in sales tax to the City. Subsidy payments to EFUEL totals $2,175,822 million, with net revenue to the City of $2,103,593. The table below provides sales tax revenue attributed to EFUEL, the amount of the sales tax subsidy, or payments made to EFUEL, and the City's net revenue for each fiscal year since approval of the agreement. The detailed five-year economic subsidy report is attached.

Fiscal Year	Sales Tax Revenue	Sales Tax Subsidy	City's Net Revenue
2016-2017	$ 592,104.12	$ 296,052.06	$ 296,052.06
2017-2018	710,460.17	355,230.09	355,230.09
2018-2019	771,237.73	385,618.86	385,618.88
2019-2020	652,652.06	326,326.03	326,326.03
2020-2021	572,391.06	286,195.53	286,195.53
2021-2022	980,569.71	526,399.45	454,170.26
Total	$ 4,279,414.85	$ 2,175,822.01	$ 2,103,592.84

Public Notice:

A 14-day public notice was provided once a week for two weeks per Government Code § 6066.

Attachments:

1. Five-Year Economic Development Subsidy Report

2. Operating Covenant Agreement with EFUEL, LLC.

FIVE-YEAR ECONOMIC DEVELOPMENT SUBSIDY REPORT
PURSUANT TO GOVERNMENT CODE SECTION 53083
FOR AN OPERATING COVENANT AGREEMENT
BY AND BETWEEN CITY OF ALISO VIEJO AND EFUEL, LLC.

The following Five-Year Report has been prepared pursuant to California Government Code Section 53083. As required, this report reiterates details of the Operating Covenant Agreement, and provides information on subsidy payments to date.

1. **The name and address of all corporations or any other business entities, except for sole proprietorships, that are the beneficiary of the economic development subsidy.**

   The Agreement is with EFUEL, LLC., a California Limited Liability Company ("EFUEL"). EFUEL is the sole beneficiary of the economic development subsidy.

   EFUEL, LLC.
   12 Journey, Suite 200
   Aliso Viejo, CA 92656

2. **The start and end dates and schedule, if applicable, for the economic development subsidy.**

   The start date of the economic subsidy was on July 1, 2016 and ends after 15 years on June 30, 2031. The agreement may be extended for an additional 15 years (30 years total).

   Covenant payments are made within 30 days following receipt of the sales tax from the State Board of Equalization attributable to sales from EFUEL and continue on a computation quarter by computation quarter basis for the term of the agreement.

3. **A description of the economic development subsidy, including the estimated total amount of the expenditure of public funds by, or of revenue lost to, the local agency as a result of the economic development subsidy.**

   EFUEL shall receive an amount equal to 50% of the sales tax revenue received by the City and attributable to EFUEL up to $800,000. EFUEL shall receive 70% of the sales tax revenue received by the City and attributable to EFUEL over $800,000. As of December 31, 2022, the full amount paid by the City to EFUEL as part of the economic subsidy is $2,175,822.01.

4. A statement of the public purposes for the economic development subsidy.

EFUEL, LLC. currently operates an on-site mobile fueling business for diesel fueled vehicles and generators within the City of Aliso Viejo. EFUEL has decided to stay within Aliso Viejo and expand their facilities. Without an agreement to remain, EFUEL could consider relocating its business away from the City. The economic development subsidy will ensure that EFUEL remains within the City and expands its operations within the City for a period of not less than 15 years.

The City has determined that the retention and expansion of EFUEL's business, as described in the preceding paragraph, will generate substantial revenue for the City, allow for the retention and creation of new jobs, revitalize an area of the City which has suffered a loss of jobs and businesses during the economic downturn of the mid-2000's, and result in community and public improvements that might not otherwise be available to the community for many years.

Further, the retention and expansion of EFUEL's business serves the additional public purpose of fostering a business and civic environment that may attract additional businesses and investment in the community due to the availability of the increased public and private services and economic activity resulting therefrom, thereby assisting the City in its goal of furthering the development of the community. This Agreement furthers the policies of the City to be business friendly and support economic growth including, supporting, retaining, promoting and expanding local business and promoting a business friendly environment, including numerous Land Use Element Goals of the General Plan and furtherance of the City's Economic Development Plan.

5. The projected tax revenue to the local agency as a result of the economic development subsidy.

The City anticipates that the retention and expansion of EFUEL's business within the City will result in an approximate retention and increase of annual sales tax revenue in the amount of $12,000,000, minus the covenant payments to be paid to EFUEL, of approximately $6,000,000 over the term of the agreement. The City estimates that the total amount of the expenditure or loss of revenue of public funds as a result of the economic development subsidy to be up to $6,000,000.

6. The net tax revenue accruing to the local agency as a result of the economic development subsidy.

Annual sales tax revenue received by the City and attributable to EFUEL, beginning in FY 2016-17 through FY 2021-22, totals $4,279,414.85. The City has made subsidy payments to EFUEL totaling $2,175,822.01. The City's has retained $2,103,592.84, as a result of the economic development subsidy.

Fiscal Year	Sales Tax Revenue	Sales Tax Subsidy	City's Net Revenue
2016-2017	$ 592,104.12	$ 296,052.06	$ 296,052.06
2017-2018	710,460.17	355,230.09	355,230.09
2018-2019	771,237.73	385,618.86	385,618.88
2019-2020	652,652.06	326,326.03	326,326.03
2020-2021	572,391.06	286,195.53	286,195.53
2021-2022	980,569.71	526,399.45	454,170.26
Total	$ 4,279,414.85	$ 2,175,822.01	$ 2,103,592.84

7. The estimated number of jobs created by the economic development subsidy, broken down by full-time, part-time, and temporary positions.

The retention and expansion of EFUEL's business within the City is anticipated to result in the retention of three jobs currently at the facility and the creation of new job opportunities as it expands its business, as follows:

- 3-10 full-time jobs
- 0-3 part-time jobs
- 0 temporary positions

8. The number of jobs created by the economic development subsidy, broken down full-time, part-time, and temporary positions.

- 3-10 full-time jobs
- 0-3 part-time jobs
- 0 temporary positions

EFUEL, LLC

OPERATING COVENANT AGREEMENT

between

THE CITY OF ALISO VIEJO
a California municipal corporation,

and

EFUEL
a California limited liability company

[Dated as of July 1, 2016, for reference purposes only]

RECITALS

WHEREAS, EFUEL, LLC, started operations in 2016 and is an independent wholesale distributer of gasoline, diesel, and other refined petroleum products in California. EFUEL's primary service includes on-site mobile fueling for diesel fueled vehicles and generators; and

WHEREAS, EFUEL (hereinafter, "Owner" in accordance with Section 1.3. 10 hereof) has located EFUEL Headquarters (as defined below) within the City of Aliso Viejo (hereinafter, the "City" in accordance with Section 1.3.1 hereof); and

WHEREAS, Owner currently operates the company in Aliso Viejo as it serves the Owner's business purposes in that the advantageous location of the City and its business conducive environment will permit Owner to operate more efficiently and effectively, will better serve its customers, and may provide an avenue for business expansion in Southern California.

WHEREAS, the incentives provided in this Covenant Agreement are intended to assist Owner with maintaining the Headquarters within the City, expanding its operations within the City, as appropriate, and remain in the City for not less than15 years; and

WHEREAS, entering into this Covenant Agreement is intended to generate substantial revenue for the City through additional Local Sales Tax Revenue which may be used by the City for the funding of necessary public services and facilities, including but not limited to, public safety services and facilities, public improvements and recreational opportunities that otherwise may not be available to the community for many years; and

WHEREAS, entering into this Covenant Agreement will also ensure the immediate creation of high paying/management jobs and provide opportunity for additional job growth throughout the term of this Agreement. It will also help the City achieve the building blocks set forth in the General Plan including taking actions that help to achieve a desirable balance of jobs and housing; improving the city tax base, maintaining an attractive urban form, and providing adequate urban services and infrastructure; and

WHEREAS, this Covenant Agreement assists the City in meeting General Plan Land Use Element Goals including:

LU- 1.1: Work to achieve a balance or surplus between the generation of public revenues and the cost of providing public facilities and services;

LU – 1.2: Attract a broad range of additional retail, medical, and office uses providing employment at all income levels and making a positive contribution to the City's tax base.

LU – 1.3 Attract and retain clean light industrial development (such as research and development and high technology) to improve the City's tax base and preserve high paying jobs.

LU – 3.1 Promote development of revenue generating land uses to help defray the costs of other uses demanding City services.

LU – 3.2 Actively promote Aliso Viejo as an employment center and ideal location for

businesses, including national or regional headquarters, by providing and maintaining high quality services and facilities responsive to the needs of the business community.

WHEREAS, entering into this Covenant Agreement will further the goals adopted by the City in the 2010 Economic Development Plan including: supporting, retaining, promoting and expanding local business and promoting a business friendly environment; and

WHEREAS, entering into this Covenant Agreement and ensuring the operation of the Headquarters may attract additional businesses and investment in the community due to increased services and economic activity in the area.

NOW, THEREFORE, in consideration of the mutual promises contained herein, and for such other good and valuable consideration, the receipt of which is hereby acknowledged, the City and Owner agree as follows:

ARTICLE 1. EFFECTIVE DATE; PARTIES; DEFINITIONS

1.1 Effective Date of Covenant Agreement. This Operating Covenant Agreement ("Covenant Agreement") is dated July 1, 2016, for reference purposes only. This Covenant Agreement will not become effective until the date ("Effective Date") on which all of the following are true:

1.1.1 This Covenant Agreement has been approved and executed by the appropriate authorities of Owner, as defined herein, and delivered to the City;

1.1.2 Following all legally required notices and hearings, this Covenant Agreement has been approved by the City Council;

1.1.3 This Covenant Agreement has been executed by the appropriate authorities of the City and delivered to Owner; and

If all of the foregoing conditions precedent have not been satisfied by December 30, 2016, then this Covenant Agreement may not thereafter become effective and any prior signatures and approvals of the Parties will be deemed void and of no force or effect.

1.2 Parties to Covenant Agreement.

1.2.1 The City. The address of the City is 12 Journey, Suite 100, Aliso Viejo, California 92656, Attention: City Manager; telephone 949-425-2500; with copies to Scott Smith, City Attorney, 18101 Von Karman Avenue, Suite 1000, Irvine, CA 92164, Telephone: (949) 263-2600.

The City represents and warrants to Owner that, to the City's actual current knowledge:

(a) The City is a public body, corporate and politic, exercising governmental functions and powers and organized and existing under the laws of the State of California;

(b) The City has taken all actions required by law to approve the execution of this Covenant Agreement;

(c) The City's entry into this Covenant Agreement and/or the performance of the City's obligations under this Covenant Agreement does not violate any contract, agreement or other legal obligation of the City;

(d) The City's entry into this Covenant Agreement and/or the performance of the City's obligations under this Covenant Agreement does not constitute a violation of any state or federal statute or judicial decision to which the City is subject;

(e) There are no pending lawsuits or other actions or proceedings which would prevent or impair the timely performance of the City's obligations under this Covenant Agreement;

(f) The City has the legal right, power and authority to enter into this Covenant Agreement and to consummate the transactions contemplated hereby, and the execution, delivery and performance of this Covenant Agreement has been duly authorized and no other action by the City is requisite to the valid and binding execution, delivery and performance of this Covenant Agreement, except as otherwise expressly set forth herein; and

(g) The individual executing this Covenant Agreement is authorized to execute this Covenant Agreement on behalf of the City.

The representations and warranties set forth above are material consideration to Owner and the City acknowledges that Owner is relying upon the representations set forth above in undertaking Owner's obligations set forth in this Covenant Agreement.

As used in this Covenant Agreement, the term "City's actual current knowledge" shall mean, and shall be limited to, the actual current knowledge of the City Manager as of the Effective Date, without having undertaken any independent inquiry or investigation for the purpose of making such representation or warranty and without any duty of inquiry or investigation.

All of the terms, covenants and conditions of this Covenant Agreement shall be binding on and shall inure to the benefit of the City and its nominees, successors and assigns. Wherever the term "City" is used herein, such term shall include any permitted nominee, assignee or successor of the City.

1.2.2 Owner. The address of Owner for purposes of this Covenant Agreement is EFUEL, LLC; 65 Enterprise, 3rd Floor, Aliso Viejo, CA 92656; Attention: Don Harper; telephone (949) 330-7415.

Owner represents and warrants to the City that, to its actual current knowledge:

(a) Owner is a duly formed California limited liability Company, qualified and in good standing to do business under the laws of the State of California;

(b) The individual executing this Covenant Agreement is authorized to execute this Covenant Agreement on behalf of Owner;

(c) Owner has taken all actions required by law to approve the execution of this Covenant Agreement;

(d) Owner's entry into this Covenant Agreement and/or the performance of its obligations under this Covenant Agreement does not violate any contract, agreement or other legal obligation of Owner;

(e) Owner's entry into this Covenant Agreement and/or the performance of its obligations under this Covenant Agreement does not constitute a violation of any state or federal statute or judicial decision to which Owner is subject;

(f) There are no pending lawsuits or other actions or proceedings which would prevent or impair the timely performance of Owner's obligations under this Covenant Agreement;

(g) Owner has the legal right, power and authority to enter into this Covenant Agreement and to consummate the transactions contemplated hereby, and the execution, delivery and performance of this Covenant Agreement have been duly authorized and no other action by Owner is requisite to the valid and binding execution, delivery and performance of this Covenant Agreement, except as otherwise expressly set forth herein; and

(h) Owner and its managerial personnel possess sufficient experience and qualifications necessary to conduct Owner's Sales Activities (hereinafter defined) as required by this Covenant Agreement.

(i) Owner also represents that this Agreement was entered into by the Parties after completion of all construction, this Agreement was not an enticement to perform any construction, and no funds from this Agreement were used to pay for any construction or improvements on the Property.

The representations and warranties set forth herein are material consideration to the City and Owner acknowledges that the City is relying upon the representations set forth above in undertaking the City's obligations set forth above.

As used in this Covenant Agreement, the term "actual current knowledge of Owner" shall mean, and shall be limited to, the actual current knowledge of Don Harper, as of the Effective Date, without having undertaken any independent inquiry or investigation for the purpose of making such representation or warranty and without any duty of inquiry or investigation.

All of the terms, covenants and conditions of this Covenant Agreement shall be binding on and shall inure to the benefit of Owner and its permitted nominees, successors and assigns. Wherever the term "Owner" is used herein, such term shall include any permitted nominee, assignee or successor of Owner.

The qualifications and identity of Owner are of particular concern to the City, and it is because of such qualifications and identity that the City has entered into this Covenant Agreement with Owner. No voluntary or involuntary successor-in-interest of Owner shall acquire any rights or powers under this Covenant Agreement except as expressly set forth herein.

1.2.3 The City and Owner are sometimes individually referred to as "Party" and collectively as "Parties."

1.2.4 Owner has investigated and believes in good faith that this Covenant Agreement is not subject to California Government Code Section 53084.5 because the Agreement will not result in a reduction in the amount of revenue under the Bradley-Burns Uniform Local Sales and Use Tax Law that would be received by another local agency where Owner will be maintaining a physical presence within the territorial jurisdiction of another local agency that might experience a reduction. Owner represents that Owner has only reported taxable sales to the BOE reflecting Aliso Viejo as the point of sale for purposes of Sales Tax allocation.

1.3 Definitions.

1.3.1 "City" means the City of Aliso Viejo, a California municipal corporation, and any nominee, assignee of, or successor to, its rights, powers and responsibilities.

1.3.2 "Computation Quarter" means each calendar quarter beginning on January 1, April 1, July 1, or October 1, as applicable, and ending on the succeeding March 31, June 30, September 30, or December 31, as applicable. The first Computation Quarter within the Eligibility Period shall commence on July 1, 2016 and is referred to herein as "Computation Quarter 1," with each succeeding Computation Quarter within the Eligibility Period being consecutively numbered, concluding with Computation Quarter 60.

1.3.3 "Covenant Payment(s)" means those contingent payments to be made by the City to the Owner pursuant to Section 3.2 of this Covenant Agreement for the purchase of the Covenants and Owner's timely and faithful performance thereunder.

1.3.4 "Covenant Term" means, a period of no less than 15 years following the Effective Date (unless terminated sooner or extended pursuant to specific provisions of this Covenant Agreement). The Covenant Term may be unilaterally extended by Owner for an additional 15 years period provided that:

(a) Owner is not in breach of the Covenants in this Covenant Agreement; and

(b) Owner provides City with written notice of Owner's intent to extend the term not less than ninety (90) days prior to the expiration of the original Covenant Term.

1.3.5 "Covenants" means those six (6) covenants described in Section 3.1 herein.

1.3.6 "Eligibility Period" means the period commencing as of the first (1st) day

of Computation Quarter 1 and ending the last day of Computation Quarter 60 (i.e., June 30 2031) or the last day of Computation Quarter 120 (i.e., June 30, 2046) if the Covenant Term is extended as provided in Section 1.3.4.

1.3.7 "Headquarters" means that certain corporate sales/administrative office and related functions operated on the Property by Owner which shall serve as the point of sale for Owner's Sales Activities from which Owner shall conduct or conclude all internet, telephonic, or direct Taxable Aliso Viejo Sales to California customers.

1.3.8 "Liquidated Damages" means, for purposes of Section 3.6, as follows:

(a) If the breach occurs during Computation Quarters 1 through 8, an amount equal to the previous two (2) Computation Quarter Covenant Payments paid to Owner at any time prior to the Computation Quarter in which the breach occurs.

1.3.9 "Owner" means and refers to EFUEL, LLC, a California limited liability company, and its successors and assigns, cumulatively.

1.3.10 "Owner's Sales Activities" means the commercially reasonable business practices and activities associated with retail and wholesale sale of fuel through Owner's mobile on-site fueling system throughout California. "Owner's Sales Activities" also include any of the above-described activities which are conducted by a parent, subsidiary or wholly or partially owned affiliate of Owner, provided that such parent, subsidiary or affiliate did not previously conduct such activities in the City.

1.3.11 "Penalty Assessments" means and refers to penalties, assessments, collection costs and other costs, fees or charges resulting from late or underpaid payments of Sales Tax and which are levied, assessed or otherwise collected from Owner.

1.3.12 "Petroleum Business" refers to the operation by Owner in the City of a sales office selling petroleum products and products ancillary to the sale of refined petroleum that generate Sales Tax revenue.

1.3.13 "Property" means that certain real property commonly known as 65 Enterprise, 3rd Floor, Aliso Viejo, CA 92656, or any other property within the City of Aliso Viejo to which Owner may elect to relocate the Headquarters during the term of this Covenant Agreement.

1.3.14 "Required Operations" shall collectively refer to the following on and with respect to Owner conducting its Petroleum Business in the City: (i) Owner retaining and continuing to own or lease sufficient facilities in the City to allow the Petroleum Business to be conducted; (ii) Owner's operation of the Petroleum Business within the corporate boundaries of the City; and (iii) Owner not transferring or otherwise relocating the retail sales operation or the point of sale as reported to the BOE for the Petroleum Business to another facility or location outside of the City.

1.3.15 "Sales Tax(es)" means that portion of taxes that is allocated, paid to, and actually received by City from the imposition of the Bradley-Burns Uniform Sales and Use Tax

law (commencing with Section 7200 of the California Revenue and Taxation Code), or any successor law thereto, arising from all taxable sales transactions, occurring from Required Operations conducted by Owner within the City during the Eligibility Period. "Sales Tax" shall not include sales tax revenues that are provided to a city based upon a special election and are limited to be used for a specified governmental function or functions.

1.3.16 "Sales Tax Law" means and refers to: (a) California Revenue and Taxation Code Section 7200 et seq., and any successor law thereto; (b) any legislation allowing City or other public agency with jurisdiction in City to levy any form of local Sales Tax on the operations of Owner; and (c) regulations of the California State Board of Equalization ("BOE") and other binding rulings and interpretations relating to (a) and (b) of this Section 1.3.16.

1.3.17 "Sales Tax Revenues" means the net Sales Tax actually received by the City from the BOE pursuant to the application of the Sales Tax Law (as such statutes may hereafter be amended, substituted, replaced, re-numbered, moved or modified by any successor law) attributable to the Headquarters in a particular Computation Quarter. Sales Tax Revenues shall not include: (i) Penalty Assessments; (ii) any Sales Tax levied by, collected for or allocated to the State of California, the County of Orange, or a district or any entity (including an allocation to a statewide or countywide pool) other than City; (iii) any administrative fee charged by the BOE; (iv) any Sales Tax subject to any sharing, rebate, offset or other charge imposed pursuant to any applicable provision of federal, state or local (except City's) law, rule or regulation; (v) any Sales Tax attributable to any transaction not consummated within the Eligibility Period; or (vi) any Sales Tax (or other funds measured by Sales Tax) required by the State of California to be paid over to another public entity (including the State) or set aside and/or pledged to a specific use other than for deposit into or payment from the City's general fund.

1.3.18 "Taxable Aliso Viejo Sales" means, to the extent legally allowable, Owner's taxable sales transactions to California customers, including, but not limited to, sales through an internet website or phone sales, that result from Owner's Sales Activities to addresses located in California.

1.3.19 "Termination Date" shall mean June 30, 2031, subject to extension or earlier termination of the Eligibility Period as set forth in this Agreement.

ARTICLE 2. ADDITIONAL RECITALS

2.1 The previously stated Recitals are incorporated herein and made a part hereof as though fully set forth.

2.2 The City has determined that the long-term operation of the Headquarters will result in substantial benefits to the City, and its citizens including, without limitation, the creation of new employment opportunities, property tax revenues, sales tax revenues and other ancillary benefits. Accordingly, the City has also determined that its entry into this Covenant Agreement and its purchase of the Covenants serve a significant public purpose, while providing only incidental benefits to a private party.

ARTICLE 3. COVENANTS RUNNING WITH THE LAND; COVENANT PAYMENTS; REMEDIES FOR BREACH.

3.1 Covenants Running with the Land.

3.1.1 Operating and Use Covenant. Owner covenants and agrees that for the Covenant Term Owner shall operate, or cause to be operated upon the Property, the Headquarters in a commercially reasonable business manner, consistent with all applicable provisions of federal, state and local laws and regulations. Owner covenants and agrees that for the Covenant Term, Owner shall operate the Headquarters in the City as Owner's only sales office in California for the Petroleum Business and all product shall be sold from the Headquarters and shipped FOB Destination.

3.1.2 Covenant to Designate City as Point of Sale. Owner covenants and agrees that, for the Covenant Term, Owner shall maintain such licenses and permits as may be required by any governmental agency to conduct Owner's Sales Activities related to the Headquarters and the Petroleum Business in California. Except as otherwise provided by applicable Law, Owner shall use commercially reasonable efforts to designate City as a "point of sale" and consummate at the Headquarters all Taxable Aliso Viejo Sales. and the Owner shall identify the City as such in its reports to the BOE in accordance with the Bradley-Burns Uniform Local Sales and Use Tax Law (Revenue and Taxation Code 7200, et seq.), as it may be amended or substituted. Owner shall use commercially reasonable efforts to facilitate product sales to California residents from the Headquarters. The Owner shall consummate all Taxable Aliso Viejo Sales transactions for Owner's Sales Activities at the Headquarters, consistent with all applicable statutory and BOE regulatory requirements applicable to Owner's Sales Activities and the designation of the City as the "point of sale" for all such Taxable Aliso Viejo Sales.

3.1.3 Owner's Additional Obligations Regarding Repairs and Alterations to Headquarters. Owner covenants and agrees that, for the Covenant Term, the Owner shall maintain, or cause to be maintained, the Headquarters in good condition, ordinary wear and tear excepted, and free from the accumulation of trash or other debris and agrees to promptly remove, or cause the removal of, all graffiti upon the Headquarters. It is anticipated that Owner will be leasing the Property for the operation of the Headquarters, however, if Owner, during the Covenant Term, relocates to another property or acquires the Property from which the Headquarters will be located, Owner shall also maintain or cause to be maintained the landscaping upon the Property in first class condition.

3.1.4 Covenant Against Solicitation and Acceptance of Economic Incentives During the Term of the Operating Use Covenant. Owner covenants and agrees that, for the Covenant Term, Owner will not directly or indirectly solicit or accept any "Financial Assistance" from any other public or private person or entity, if such Financial Assistance is given for the express or implied purpose of causing or would result in Owner's breach of any of the Covenants. For purposes of this Section 3.1.4 the term "Financial Assistance" means any direct or indirect payment, subsidy, rebate, or other similar or dissimilar monetary or non-monetary benefit, including, without implied limitation, payment of land subsidies, relocation expenses, public financings, property or sales tax relief, rebates, exemptions or credits, relief from public improvement obligations, and payment for public improvements to or for the benefit of Owner.

3.1.5 Use of Property. Owner covenants and agrees that the Property shall be put to no use other than those uses specified in the City's General Plan, the Specific Plan, zoning ordinances, and this Covenant Agreement as the same may be amended from time to time. Nothing in this Section 3.1.5 shall limit, expand, modify or otherwise affect any right of the Owner to continue any legal nonconforming use upon the Property following changes in the City's General Plan or zoning ordinances.

3.1.6 Jobs Creation and Operational Agreement. Owner agrees that as of the Effective Date of this Agreement the establishment of the Headquarters shall result in the creation of not less than three jobs in the City and Owner shall use its commercially reasonably efforts to expand the workforce at the Property each year of the Covenant Term. Owner also covenants and agrees that, to the extent Owner holds sales team meetings for sales employees in California, those sales team meetings shall be held in the City. Owner covenants and agrees that local sales staff shall be assigned to work from the Headquarters.

3.2 Covenant Payments.

3.2.1 Statement of Intent. The City's obligations under this Section 3.2 are contingent on a Computation Quarter-to-Quarter basis and, for each Computation Quarter, City's obligations to make any payments hereunder are expressly contingent upon the Owner having, for the entirety of such Computation Quarter, completely fulfilled its material obligations under this Covenant Agreement, including, without limitation, the Covenants. Should such condition precedent not be satisfied for each Computation Quarter, then City shall have no obligation under this Section 3.2 to make any Covenant Payments to Owner in such Computation Quarter.

3.2.2 Covenant Payments. The consideration to be paid to the Owner in exchange for the Covenants and Owner's performance of its obligations set forth in this Covenant Agreement, and subject to satisfaction of all conditions precedent thereto, shall consist of City's payment to the Owner for each Computation Quarter during the Eligibility Period that the City receives Sales Tax Revenue, an amount equal to the sum of fifty percent (50%) of the Sales Tax Revenues attributable to annual taxable sales for the fiscal year which includes such Computation Quarter up to eight hundred thousand dollars ($800,000) as determined on a cumulative basis for such fiscal year, and seventy percent (70%) of the Sales Tax Revenues attributable to annual taxable sales for the fiscal year which includes such Computation Quarter over eight hundred thousand dollars ($800,000), as determined on a cumulative basis for such fiscal year ending June 30.

3.2.3 Computation Quarter Covenant Payments. Within thirty (30) days from the date Owner is required by California law to file its quarterly reports to BOE, Owner shall submit to City a copy of the quarterly report sent to the BOE which sets forth the amount of sales taxes paid to the BOE during the Computation Quarter arising from Owner's Sales Activities conducted at the Headquarters. The Covenant Payment shall be calculated using the actual net amount of Sales Tax directly received by the City from the BOE during that Quarter. Within thirty days (30) days following receipt of the Sales Tax attributable to sales from the Petroleum Business, the City shall pay to Owner any Computation Quarter Covenant Payment due for such Computation Quarter.

3.2.4 Adjustments to Covenant Payment Amounts. If after City makes a Covenant Payment to Owner hereunder City or Owner determines that the Covenant Payment has been overpaid or underpaid and that an adjustment to a prior payment amount is warranted, City or Owner, as the case may be, shall have the right to provide a written notice to the other Party itemizing the information supporting the adjustment and either (a) requiring the City or Owner to pay the amount of the underpayment or overpayment, as applicable, within thirty (30) days from the date such notice is delivered or (b) deduct the amount of the overpayment from the next Covenant Payment otherwise owing to Owner. The Parties shall cooperate with one another and share such information as may be reasonably required to ensure that any required adjustments (either an additional payment to Owner or a refund or credit to City) can be promptly made. If the Party receiving the notice disagrees with the request for adjustment, the Parties shall meet in good faith to resolve any dispute.

3.2.5 BOE Determination of Improperly Allocated Local Sales Tax Revenues. If, at any time during or after the Eligibility Period of this Covenant Agreement, the BOE determines that all or any portion of the Sales Tax Revenues received by the City were improperly allocated and/or paid to the City, and if the BOE requires repayment of, offsets against future sales tax payments, or otherwise recaptures from the City those improperly allocated and/or paid Sales Tax Revenues, then Owner shall, within thirty (30) calendar days after written demand from the City, repay all Covenant Payments (or applicable portions thereof) theretofore paid to Owner which are attributable to such repaid, offset or recaptured Sales Tax Revenues. If Owner fails to make such repayment within thirty (30) calendar days after the City's written demand, then the City may deduct any amount required to be repaid by Owner under this Section 3.2.6 from any future Covenant Payments otherwise payable to Owner under this Covenant Agreement. This Section 3.2.6 shall survive the expiration or termination of this Covenant Agreement. The City will, within five (5) business days, contact Owner regarding any communication from the BOE pertaining to tax allocations associated with Owner's business. The City and Owner agree that, should the BOE question the correctness of the allocation or otherwise determine that there has been an improper allocation to the City, the City and Owner may engage their own legal counsel to use his or her best efforts to defend such allocation in all BOE administrative proceedings. For purposes of this paragraph, administrative proceedings include all BOE meetings, conferences and appeals before BOE. Owner shall reasonably cooperate with the City and its attorney. Additionally, Owner shall have the right, but not the obligation, to participate in any such administrative proceedings and may engage its own legal counsel or consultant, at its own cost.

3.2.6 Not a Pledge of Sales Tax. Owner acknowledges that the City is not making a pledge of Sales Tax Revenues, or any other particular source of funds; the definition of Sales Tax Revenues, as used herein, is used merely as a measure of the amount payment due hereunder and as means of computing the City's payment in consideration for the Covenants. It is acknowledged by Owner that the City's obligation to make payments is specifically contingent upon receipt by the City of the Sales Tax Revenues derived from operation of the Headquarters.

3.2.7 Disclosure of Payments. Owner agrees that the Covenant Payments and the amounts thereof do not constitute a violation of Revenue and Taxation Code Section 7056 or any other provision of law pertaining to the disclosure of sales tax information, shall be a matter of public record, may be disclosed to any person, and may be included on the City's warrant

register. Owner waives any law that is contrary to any of the agreements in this section.

3.3 Default.

3.3.1 Owner Default. City shall provide Owner with written notice of Owner's failure ("Owner Default") to perform any material provision of this Covenant Agreement, including, without limitation, the Covenants. Owner shall have thirty (30) days from the date of such notice to either cure such Owner Default, or, if such Owner Default cannot be reasonably cured during such thirty (30) day period, to commence to cure within said thirty (30) day period and diligently prosecute such cure to completion thereafter.

3.3.2 City Default. Owner shall provide City with written notice of City's failure ("City Default") to perform any material provision of this Covenant Agreement. City shall have thirty (30) days from the date of such notice to either cure such City Default, or, if such City Default cannot be reasonably cured during such thirty (30) day period, to commence to cure within said thirty (30) day period and diligently prosecute such cure to completion thereafter.

3.4 General Remedies for Default. Except as provided in Section 3.6, upon either a City or an Owner Default (as defined in Section 3.3), Owner or City (as applicable) shall have the right to seek all available legal and equitable remedies, unless otherwise expressly provided to the contrary herein. Unless prohibited by law or otherwise provided by a specific term of this Covenant Agreement, the rights and remedies of the City and the Owner under this Covenant Agreement are nonexclusive and all remedies hereunder may be exercised individually or cumulatively, and each Party may simultaneously pursue inconsistent and/or alternative remedies. Either Party may, upon the Default of the other Party and in addition to pursuing all remedies otherwise available to it, terminate this Covenant Agreement and all of its obligations hereunder without cost, expense or liability to itself.

3.5 The City's Right to Terminate its Obligations under Section 3.2. The City's obligations under Section 3.2 shall automatically terminate without cost, expense, or liability to City, upon the occurrence of any one or more of the following: (i) Owner Default; or (ii) the end of the Eligibility Period.

3.6 Liquidated Damages.

3.6.1 Owner Default With Respect to Obligations Under Sections 3.1.1 and 3.1.2. The Parties acknowledge that the consideration to the City for its entry into this Covenant Agreement and the performance of its obligations hereunder include the City's receipt of Sales Tax Revenues, employment and other payroll taxes, property taxes, and other direct and indirect financial and non-financial benefits arising from the operation of the Owner's Sales Activities and the location of the Headquarters in the City in accordance with Article 3 of this Covenant Agreement. Owner agrees that the City will suffer damages if Owner commits any Owner Default with respect to any of its obligations arising under Sections 3.1.1 and 3.1.2. The Parties agree that the exact determination of such damages would be impracticable and extremely difficult to quantify. Accordingly, the Parties have determined that Liquidated Damages (as determined pursuant to Section 1.3.8) represents a reasonable estimate of the damages which

would be suffered by the City if Owner commits any Owner Default with respect to any of its obligations set forth in Sections 3.1.1 and 3.1.2. Accordingly, as its sole and exclusive monetary remedy for an Owner Default with respect to any of its covenants and obligations set forth in Sections 3.1.1 and 3.1.2, the City shall be entitled to (1) terminate this Covenant Agreement and the entirety of its obligations hereunder, including any accrued and unpaid Covenant Payments, and (2) receive from Owner the applicable amount of Liquidated Damages as provided by Section 1.3.8.

3.6.2 ACKNOWLEDGEMENT OF REASONABLENESS OF LIQUIDATED DAMAGES. UPON AN OWNER DEFAULT WITH RESPECT TO ANY OF ITS OBLIGATIONS SET FORTH IN SECTIONS 3.1.1 AND 3.1.2, FOLLOWING NOTICE AND OPPORTUNITY TO CURE PURSUANT TO SECTION 3.3.1, THE CITY AND OWNER ACKNOWLEDGE AND AGREE THAT IT WOULD BE EXTREMELY DIFFICULT AND IMPRACTICAL TO ASCERTAIN THE AMOUNT OF DAMAGES THAT WOULD BE SUFFERED BY THE CITY WITH RESPECT TO SUCH DEFAULT. HAVING MADE DILIGENT BUT UNSUCCESSFUL ATTEMPTS TO ASCERTAIN THE ACTUAL DAMAGES THE CITY WOULD SUFFER, THE PARTIES AGREE THAT THE LIQUIDATED DAMAGES AMOUNT AS DETERMINED IN ACCORDANCE WITH SECTION 1.3.8 REPRESENTS A REASONABLE ESTIMATION OF THOSE DAMAGES. THEREFORE, UPON AN OWNER DEFAULT WITH RESPECT TO ANY OF ITS OBLIGATIONS SET FORTH IN SECTIONS 3.1.1 AND 3.1.2, AS ITS SOLE AND EXCLUSIVE REMEDY FOR SUCH DEFAULT, THE CITY SHALL BE ENTITLED TO (1) RECEIPT OF THE LIQUIDATED DAMAGES AMOUNT CALCULATED IN ACCORDANCE WITH SUBSECTION 1.3.8, WHICH OWNER SHALL PAY WITHIN TEN (10) DAYS FOLLOWING WRITTEN DEMAND FROM THE CITY, AND (2) TERMINATE THIS AGREEMENT AND THE ENTIRETY OF ITS OBLIGATIONS HEREUNDER, INCLUDING ANY ACCRUED BUT YET UNPAID COVENANT PAYMENTS.

Initials of Authorized City Representative	Initials of Authorized Owner Representative

ARTICLE 4. GENERAL TERMS

4.1 Tax Consequences. Owner acknowledges that it may experience tax consequences as a result of its receipt of the payments provided for in this Covenant Agreement and agrees that it shall bear any and all responsibility, liability, costs, and expenses connected in any way therewith.

4.2 Rights Not Granted Under Covenant Agreement. This Covenant Agreement is not, and shall not be construed to be, a Development Agreement under Government Code Section 65864 et seq. This Covenant Agreement is not, and shall not be construed to be, an approval or an agreement to issue permits or a granting of any right or entitlement by the City concerning the Headquarters, Owner's Sales Activities or any other project, development, or construction by the Owner in the City. This Covenant Agreement does not, and shall not be construed to, exempt Owner from the application and/or exercise of the City's power of eminent

domain or its police power, including, but not limited to, the regulation of land uses and the taking of any actions necessary to protect the health, safety, and welfare of its citizenry.

4.3 Consent. Whenever consent or approval of any party is required under this Covenant Agreement, that party shall not unreasonably withhold, delay or condition such consent or approval unless otherwise allowed by a specific provision of this Covenant Agreement.

4.4 Notices and Demands. All notices or other communications required or permitted between the City and Owner under this Covenant Agreement shall be in writing, and may be (i) personally delivered, (ii) sent by United States registered or certified mail, postage prepaid, return receipt requested, (iii) sent by telecopier, or (iv) sent by nationally recognized overnight courier service (e.g., Federal Express), addressed to the Parties at the addresses provided in Article 1, subject to the right of either party to designate a different address for itself by notice similarly given. Any notice so given by registered or certified United States mail shall be deemed to have been given on the second business day after the same is deposited in the United States mail. Any notice not so given by registered or certified mail, such as notices delivered by telecopier or courier service (e.g., Federal Express), shall be deemed given upon receipt of the same by the party to whom the notice is given.

4.5 Nonliability of the City or City Officials and Employees. No board member, official, contractor, consultant, attorney or employee of the City shall be personally liable to Owner, any voluntary or involuntary successors or assignees, or any lender or other party holding an interest in the Property, in the event of any default or breach by the City, or for any amount which may become due to the Owner or to its successors or assignees, or on any obligations arising under this Covenant Agreement.

4.6 Conflict of Interests. No board member, official, contractor, consultant, attorney or employee of the City or City shall have any personal interest, direct or indirect, in this Covenant Agreement nor shall any such board member, official or employee participate in any decision relating to this Covenant Agreement which affects his/her personal interests or the interests of any corporation, partnership or association in which he/she is directly or indirectly interested.

4.7 Pledge or Hypothecation of Covenant Payments. Owner may assign any Covenant Payment(s) due in accordance with the terms of this Covenant Agreement (but not any other right or obligation of this Covenant Agreement) upon thirty (30) days' prior written notice to City as collateral for any loan or financing obtained by the Owner in connection with the Headquarters; provided that nothing in this Section 4.7 shall be deemed to limit the operation of Section 4.16. Without limiting the general applicability of the foregoing, Owner acknowledges that Owner's lender and any transferee of Owner's lender shall be subject to the transfer restrictions of Section 4.15.

4.8 Entire Agreement; Good Faith Negotiations. This Covenant Agreement contains all of the terms and conditions agreed upon by the Parties and supersedes any previous agreements between the Parties concerning the subject matter of this Covenant Agreement. No other understanding, oral or otherwise, regarding the subject matter of this Covenant Agreement

shall be deemed to exist or to bind any of the parties hereto. All prior written or oral offers, counteroffers, memoranda of understanding, proposals and the like are superseded by this Covenant Agreement.

The Parties acknowledge that this Covenant Agreement is the product of mutual arms-length negotiations and that each party has been, or has had the opportunity to have been, represented by legal counsel in the negotiation and drafting of this Covenant Agreement. Accordingly, the rule of judicial construction which provides that ambiguities in a document are to be construed against the drafter of that document shall have no application to the interpretation or enforcement of this Covenant Agreement.

4.9 Time Deadlines Critical; Extensions and Delays; No Excuse Due to Economic Changes. Time is of the essence in the performance of the City's and Owner's obligations under this Covenant Agreement. In addition to specific provisions of this Covenant Agreement providing for extensions of time, times for performance hereunder shall be extended where delays or defaults are due to war; insurrection; any form of labor dispute; lockouts; riots; floods; earthquakes; fires; acts of God or of third parties; third party litigation; acts of a public enemy; referenda; acts of governmental authorities (except that the failure of the City to act as required hereunder shall not excuse its performance); moratoria; epidemics; quarantine restrictions; and freight embargoes (collectively, "Enforced Delays") provided, however, that the Party claiming the extension notify the other Party of the nature of the matter causing the default; and, provided further, that the extension of time shall be only for the period of the Enforced Delays. However, deadlines for performance may not be extended as provided above due to any inability of the Owner to obtain or maintain acceptable financing for the operation of the Headquarters.

ANYTHING IN THIS COVENANT AGREEMENT TO THE CONTRARY NOTWITHSTANDING, OWNER AND CITY, AND EACH OF THEM, EXPRESSLY ASSUMES THE RISK OF UNFORESEEABLE CHANGES IN ECONOMIC CIRCUMSTANCES AND/OR MARKET DEMAND/CONDITIONS AND WAIVES, TO THE GREATEST LEGAL EXTENT, ANY DEFENSE, CLAIM, OR CAUSE OF ACTION BASED IN WHOLE OR IN PART ON ECONOMIC NECESSITY, IMPRACTICABILITY, FRUSTRATION OF PURPOSE, CHANGED ECONOMIC CIRCUMSTANCES OR SIMILAR THEORIES.

OWNER AND CITY, AND EACH OF THEM, EXPRESSLY AGREES THAT ADVERSE CHANGES IN ECONOMIC CONDITIONS, EITHER OF THE OWNER SPECIFICALLY, OR OF THE CITY SPECIFICALLY, OR THE ECONOMY GENERALLY, OR CHANGES IN THE MARKET CONDITIONS OR DEMANDS, SHALL NOT OPERATE TO EXCUSE OR DELAY THE STRICT OBSERVANCE OF EACH AND EVERY OF THE OBLIGATIONS, COVENANTS, CONDITIONS AND REQUIREMENTS OF THIS COVENANT AGREEMENT. OWNER AND CITY, AND EACH OF THEM, EXPRESSLY ASSUMES THE RISK OF SUCH ADVERSE ECONOMIC OR MARKET CHANGES, WHETHER OR NOT FORESEEABLE AS OF OWNER'S EXECUTION OF THIS COVENANT AGREEMENT.

OWNER'S INITIALS _____ **CITY'S INITIALS** _____

4.10 Attorneys' Fees. In the event of the bringing of an arbitration, action or suit by a Party hereto against another Party hereunder by reason of any breach of any of the covenants or agreements or any intentional inaccuracies in any of the representations and warranties on the part of the other Party arising out of this Covenant Agreement or any other dispute between the Parties concerning this Covenant Agreement or the Property, then, in that event, the prevailing party in such action or dispute, whether by final judgment or arbitration award, shall be entitled to have and recover of and from the other Party all costs, expenses and disbursements of suit or claim, including actual attorneys' fees and expert witness' fees. Any judgment, order or award entered in any final judgment or award shall contain a specific provision providing for the recovery of costs, expenses and disbursements of suit or claim, including actual attorneys' fees and expert witness' fees (collectively, the "Costs") incurred in enforcing, perfecting and executing such judgment or award. For the purposes of this Section 4.10, "Costs" shall include, without implied limitation, attorneys' and experts' fees, costs and expenses incurred in the following: (i) post judgment motions and appeals, (ii) contempt proceedings, (iii) garnishment, levy and debtor and third party examination, (iv) discovery; and (v) bankruptcy litigation. This Section 4.10 shall survive any termination of this Covenant Agreement.

4.11 Amendments to This Covenant Agreement. Any amendments to this Covenant Agreement must be in writing and signed by the appropriate authorities of both the City and Owner. The City Manager is authorized on behalf of the City to approve and execute minor amendments to this Covenant Agreement, including, but not limited to, the granting of extensions of time to Owner, not to exceed ninety (90) days in the aggregate.

4.12 Jurisdiction and Venue. Any legal action or proceeding concerning this Covenant Agreement shall be filed and prosecuted in any federal or state court located in jurisdiction of the United States District Court, Central District of California. Both Parties hereto irrevocably consent to the personal jurisdiction of such a court. Owner acknowledges that the provisions of this Section 4.12 are material consideration to the City for its entry into this Covenant Agreement, in that the City will avoid the potential cost, expense and inconvenience of litigating in a distant forum.

4.13 Counterpart Originals; Integration. This Covenant Agreement may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument. This Covenant Agreement and any exhibits represent the entire understanding of the Parties and supersedes all negotiations, letters of intent, memoranda of understanding or previous agreements between the parties with respect to all or any part of the subject matter hereof.

4.14 No Waiver. Failure to insist on any one occasion upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any rights or powers hereunder at any one time or more times be deemed a waiver or relinquishment of such other right or power at any other time or times.

4.15 Successors and Assigns. The terms, covenants and conditions of this Covenant Agreement shall be binding upon and inure to the benefit of the Parties hereto and their successors and assigns. Except as provided in this Section 4.15, Owner shall neither transfer nor convey Owner's interest in the Property or the Headquarters without the express written consent of the City, which shall not be unreasonably withheld, conditioned or delayed. In determining whether to approve of such a sale, transfer, conveyance or assignment of the Owner's interest in the Property or Headquarters, the City shall evaluate: (i) the financial ability of the proposed transferee to own and operate the Headquarters, or portion so transferred, and to meet the Owner's obligations under this Covenant Agreement; (ii) the fitness and experience of the proposed transferee and its managerial personnel to own and operate the Headquarters or portion so transferred thereof; and (iii) the ability of the proposed transferee to maintain a level of quality and service comparable to that maintained by the Owner for the Headquarters. Upon the permitted sale, transfer or conveyance by Owner of its interest therein, such owner shall thereupon be relieved of its obligations under this Covenant Agreement from and after the date of sale, transfer or conveyance except with respect to any defaults in the performance of its obligations hereunder or thereunder which occurred prior to such sale, transfer or conveyance, and the transferee shall thereafter be solely responsible for the performance of all of the duties and obligations of Owner under this Covenant Agreement. In the event that Owner or the Owner's assets that generate Owner's Sales Activities are acquired by another business entity, and as a result of such acquisition the City cannot legally serve as the point of sale for all or a portion of the Owner's Sales Activities, such acquisition shall not be deemed a breach of this Covenant Agreement but either party may terminate this Covenant Agreement.

4.16 No Third Party Beneficiaries. The performance of the respective obligations of the City and Owner under this Covenant Agreement are not intended to benefit any party other than the City or Owner, except as expressly provided otherwise herein. No person or entity not a signatory to this Covenant Agreement shall have any rights or causes of action against any party to this Covenant Agreement as a result of that party's performance or non-performance under this Covenant Agreement, except as expressly provided otherwise herein.

4.17 No Effect on Eminent Domain Authority. Nothing in this Covenant Agreement shall be deemed to limit, modify, or abridge or affect in any manner whatsoever the City's eminent domain powers with respect to the Property, the Headquarters, or any other property owned by Headquarters; provided however, that nothing in this Covenant Agreement shall relieve the City or any other governmental entity from its obligation to compensate Owner for any loss arising from such exercise of eminent domain powers, including without limitation, compensation for the Owner's loss of rights or benefits hereunder.

4.18 Warranty Against Payment of Consideration for Covenant Agreement. Owner warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Covenant Agreement. Third parties, for the purposes of this Section 4.18, shall not include persons to whom fees are paid for professional services if rendered by attorneys, financial consultants, accountants, engineers, architects and the like when such fees are considered necessary by Owner.

4.19 Severability. The City and Owner declare that the provisions of this Covenant Agreement are severable. If it is determined by a court of competent jurisdiction that any term,

condition or provision hereof is void, voidable, or unenforceable for any reason whatsoever, then such term, condition or provision shall be severed from this Covenant Agreement and the remainder of the Covenant Agreement enforced in accordance with its terms.

4.20 Further Acts and Releases. The City and Owner each agree to take such additional acts and execute such other documents as may be reasonable and necessary in the performance of their obligations hereunder.

4.21 Estoppels. At the request of Owner or any holder of a mortgage or deed of trust secured by all or any portion of the Property, the City shall promptly execute and deliver to Owner or such holder a written statement of the City as to any of the following matters as to which Owner or such holder may inquire: (i) that no default or breach exists, or would exist with the passage of time, or giving of notice, or both, by Owner pursuant to this Covenant Agreement, if such be the case; (ii) the total amount of Covenant Payments made by the City to Owner pursuant to this Covenant Agreement prior to the date of such written statement; (iii) the amount of any Covenant Payments earned by or due and owing to Owner pursuant to this Covenant Agreement as of the date of such written statement; (iv) the Covenant Payments for a particular Computation Quarter, if known; (v) if the City has determined that Owner is in default or breach hereunder, the nature of such default and the action or actions required to be taken by Owner to cure such default or breach; and (vi) any other matter affecting the rights or obligations of Owner hereunder as to which Owner or such holder may reasonably inquire. The form of any estoppel letter shall be prepared by Owner or such holder at its sole cost and expense and shall be reasonably acceptable in form and content to the City and Owner. The City may make any of the representations described above based on the actual current knowledge of the then-current City Manager.

4.22 Indemnity By Owner. Owner shall defend (using counsel of City's choosing), indemnify and hold harmless the City, its elected officials, officers, employees and agents from and against any and all third party claims, losses, proceedings, damages, causes of action, liability, cost and expense (including reasonable attorney's fees) arising from, in connection with or related to this Covenant Agreement or the functions or operations of the Headquarters (other than to the extent arising as a result of the City's negligence or willful misconduct). The City shall fully cooperate in the defense of any such actions and upon written request of Owner shall provide to Owner such documents and records in possession of the City that are relevant to such actions and not otherwise protected by law. Notwithstanding the foregoing, should any third party bring any such action or proceeding Owner shall have the right to terminate this Covenant Agreement, and as of such date of termination, all unaccrued liabilities of the parties under this Covenant Agreement shall cease except for Owner's obligation of indemnity owed to the City as provided in this Section 4.22. For purposes of clarification, should Owner exercise its termination right as provided in this Section 4.22, the same shall not be considered a Default and the City shall have no claims against Owner for such termination.

4.23 State of California Legislation Impact on Covenant Payment. Owner acknowledges that the California legislature has in the past adopted certain legislation which diverted to the State of California a portion of the Sales Tax Revenues which were otherwise payable to the City. Owner acknowledges that it is possible that the legislature may enact similar

legislation in the future which would cause a corresponding reduction of and/or delay in the payment of the Sales Tax Revenues and that such reduction will cause Owner a corresponding reduction and/or delay in the payment of the Covenant Payments due to Owner during such time as such legislation is in effect. Furthermore, Owner acknowledges that it is possible that the legislation described above, or some variant thereof, may be enacted and effective during one or more subsequent times during the Eligibility Period and may materially and negatively impact the amount of Sales Tax Revenues and, accordingly, Covenant Payments. The City does not make any representation, warranty or commitment concerning the future actions of the California legislature with respect to the allocation of Sales Tax Revenues to the City. Owner agrees that it is undertaking its obligations under this Covenant Agreement after having considered, and is expressly assuming the risk of, the possibility of the enactment of such legislation.

In the event that such legislation, or other legislation prohibiting or restricting the City's ability to make Covenant Payments to Owner, is enacted, either Party may terminate this Agreement without liability to the other.

[Signatures on the following pages]

SIGNATURE PAGE TO THE
OPERATING COVENANT AGREEMENT
BY AND BETWEEN
THE CITY OF ALISO VIEJO
AND
EFUEL, LLC

CITY OF ALISO VIEJO
a California municipal corporation

By: _____
David Doyle
City Manager

ATTEST:

By: _____
Mitzi Ortiz, MMC
City Clerk

APPROVED AS TO FORM:

By: _____
Scott Smith
City Attorney

SIGNATURE PAGE TO THE
OPERATING COVENANT AGREEMENT
BY AND BETWEEN
THE CITY OF ALISO VIEJO
AND
EFUEL, LLC

EFUEL
a limited liability company

By: _____
Don Harper
Chief Executive Officer

City of Aliso Viejo
AGENDA ITEM

DATE: January 18, 2023

TO: Mayor and City Council

FROM: So Kim, Community Development Director
John Kanlund, Contract Planner

SUBJECT: REQUEST TO APPROVE A SITE DEVELOPMENT PERMIT TO REMODEL THE TWO-STORY CLUBHOUSE BUILDING, UPGRADE THE OUTDOOR COMMON AREA INCLUDING THE POOL AND ASSOCIATED LANDSCAPE/HARDSCAPE, DEMOLISH THE GUARD TOWER AT 5000 CITY LIGHTS DRIVE, AND DETERMINE THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM CEQA (PA22-006 & SDP 2022-00002).

Recommended Actions:

1. Find that the request is exempt from the California Environmental Quality Act pursuant to State CEQA (California Environmental Quality Act) Guidelines Section 15301 (Existing Facilities); and

2. Adopt a Resolution approving a Site Development Permit (SDP) to remodel the two-story clubhouse building, pool, landscape, and hardscape including American with Disability Act (ADA) compliant upgrades and demolish the guard tower at 5000 City Lights Drive (PA22-006 & SDP-2022-00002).

Background:

On April 22,1999, the County of Orange Board of Supervisors approved a 793-unit apartment complex development known as the City Lights at Town Center Apartments ("City Lights") at 5000 City Lights Drive.

On August 23, 2022, Gregory Kim ("Applicant"), development manager for City Lights, submitted an application to remodel the common amenities area including a two-story building and outdoor areas consisting of a pool and associated lounging areas with ADA upgrades. The application also includes the demolition of a guard tower at the entry/exit gate of the complex. After several rounds of reviews and submittal of additional information, the application was deemed complete.

This application was originally scheduled for the September 21, 2022 City Council meeting. However, based on the applicant's request for additional time to revise their

project, the City Council continued the item to a date uncertain. Subsequently, the applicant submitted a revised application, which has been rescheduled to tonight's meeting.

Discussion:

Pursuant to AVMC (Aliso Viejo Municipal Code) Section 15.74.020 (Site Development Permits), a Site Development Permit (SDP) is required for projects involving building construction. While only the removal of the guard tower would require a SDP as it is considered a notable change in exterior appearance as viewed from the street, the site improvements and the clubhouse remodel are also subject to the SDP as it is being processed concurrently as a single project. To approve an SDP, the following findings shall be made:

1. Consistency with General Plan. The project is consistent with the general plan and any applicable specific plan.

   The proposed project is consistent with the General Plan land use designation of Very High Density as there will be no changes to the existing use. The proposed improvements are limited to remodeling the existing pool and clubhouse area, and removal of a guard tower at a multi-family complex. Therefore, this finding can be made.

2. Consistency with Zoning Code. The land use and associated development conform to the permitted use provisions and development standards of this zoning code and is consistent with the code and any applicable specific plan.

   The proposed project is consistent with the Zoning designation of Residential Very High Density as the proposed improvements are limited to remodeling existing amenities and demolishing a gate tower of a multi-family complex with no changes to the existing use. Additionally, the proposed project complies with the applicable provisions and development standards of the City's code including setbacks, height, lighting, design standards, and architectural and landscape requirements. Therefore, this finding can be made.

3. Compliance with CEQA. Processing and approval of the permit application are in compliance with the requirements of the California Environmental Quality Act.

   The proposed interior and exterior modifications of the clubhouse are categorically exempt from CEQA under the Class 1 exemption in the California State CEQA Guidelines Section 15301, as the project involves the minor alteration of an existing private structure involving no expansion of existing or former use. Additionally, the proposed site improvements to the common amenities area are categorically exempt from CEQA under the Class 3 exemption in the California State CEQA Guidelines Section 15303, as it involves updating an existing outdoor area with small accessory structures. The proposed project area includes all

necessary services and facilities, will not involve the use of significant amounts of hazardous substances, and will not exceed 2,500 square feet in floor area. Therefore, this finding can be made.

4. Architectural Design. The project's architectural design, including the architectural style, scale, building mass, materials, colors, architectural details, and roof style, is compatible with surrounding development.

   The proposed project includes a reconfiguration of the interior space and the exterior design of the two-story clubhouse building. Most notably, the exterior staircase facing the pool will be demolished and the lower and upper areas along the same façade will be transformed into redesigned lounge areas. Specifically, the building will include new upper lounge areas, a portion of which will be covered. The exterior walls will be updated to a modern off-white color with black metal railings and gray accent walls. Elements of modern Spanish elements such as custom wall lights and breezeways will be incorporated in the design. The resulting color, material, roof style, and building mass/scale will remain compatible with the existing buildings of the larger multi-family complex. Separate from the pool and clubhouse area, the proposed project also includes the demolition of a tall guard tower at the entry/exit area at City Lights Drive. The guard tower is proposed to be demolished and replaced with landscaping, thereby reducing unnecessary building mass, and providing a more visually open entryway. Therefore, this finding can be made.

5. Site Design. The site design of the project, including but not limited to project entries, interior circulation, pedestrian and bicycle access, pedestrian amenities, screening of equipment and trash enclosures, exterior lighting, and other site design elements, is compatible with surrounding development.

   As described in Finding No. 4 above, the proposed project includes the reconfiguration of the interior space of the clubhouse to allow for the same uses in a more effective manner, while increasing the usable outdoor area on the upper floor of the building. Accessways will be upgraded for compliance with ADA requirements and larger lounge areas will be created with new outdoor furniture, cabanas, firepits, and exterior lighting to enhance the outdoor experience to its users. The proposed design elements will upgrade the dated amenity area to provide a more active recreational space. As for the guard tower, the proposed removal will enhance the entry/exit area by providing a more open landscaped median. Therefore, this finding can be made.

6. Landscape Design. Project landscaping, including but not limited to the location, type, size, color, texture, and coverage of plant materials, has been designed to provide visual relief, complement buildings, visually emphasize prominent design elements and vistas, screen undesirable views, provide a harmonious transition between adjacent land uses and between development and open space, and provide an overall unifying influence to enhance the visual continuity of the project.

The existing outdoor areas will be redesigned and enhanced with planters, potted plants, barbeque and areas, lounge seating, cabanas, firepits, lights, dining tables with umbrellas, and overhead festival lighting. The existing pool deck and walkway areas will be resurfaced with concrete and decorative tile steps. The walkways will be reconfigured to comply with ADA requirements. The pool and spa will be updated with new concrete coping, waterline tile, and plaster. A portion of the exterior pool gate facing City Lights Drive will be replaced to match the existing dark steel material of the fencing for the larger complex and the interior pool enclosure will be of glass material. The existing landscaping is proposed to be upgraded with planting of drought-tolerant species, transplanting existing mature trees, and date palms. The proposed landscape elements will visually enhance the amenities area, complementing the upgraded clubhouse. The upgraded pool/clubhouse will become a more attractive recreational focal point, and the entry/exit area absent of the guard tower will be visually more open and compatible with the larger multi-family complex. Therefore, this finding can be made.

Public Notice:

On January 5, 2023, a public hearing notice was published in the Laguna Niguel News and mailed to all owners of real properties within 300 feet of the subject real property.

Attachments:

1. Resolution
2. Applicant Project Description Letter
3. Project Plans
4. Presentation

RESOLUTION NO. 2023- ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, APPROVING A SITE DEVELOPMENT PERMIT (SDP) TO REMODEL THE TWO-STORY CLUBHOUSE BUILDING, UPGRADE THE OUTDOOR COMMON AREA INCLUDING THE POOL AND ASSOCIATED LANDSCAPE/HARDSCAPE, DEMOLISH THE GUARD TOWER AT 5000 CITY LIGHTS DRIVE, AND DETERMINE THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM CEQA (PA22-006 & SDP 2022-00002)

WHEREAS, on April 22,1999, the County of Orange Board of Supervisors approved a 793-unit apartment complex development known as the City Lights at Town Center Apartments ("City Lights") at 5000 City Lights Drive; and

WHEREAS, On August 23, 2022, Gregory Kim ("Applicant"), development manager for City Lights, submitted an application to remodel the common amenities area including a two-story building and outdoor areas consisting of a pool and associated lounging areas with ADA upgrades. The application also includes the demolition of a guard tower at the entry/exit gate of the complex. After several rounds of reviews and submittal of additional information, the application was deemed complete; and

WHEREAS, on September 21, 2022, the City Council held a duly noticed public hearing and granted the applicant's request to continue the matter to a date uncertain for additional time to revise their project; and

WHEREAS, on December 27, 2022, a public hearing notice was published in the Laguna Niguel News and mailed to all owners of real properties within 300 feet of the subject real property; and

WHEREAS, on January 18, 2023, the City Council held a duly noticed public hearing as prescribed by law and considered public testimony and evidence and recommendations presented by staff in the agenda report and oral presentation related to Planning Application PA22-006/SDP-2022-00002 (SDP); and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

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

SECTION 1. Determination of Recitals. The City Council hereby finds and determines that all the recitals set forth above are true and correct. The above recitals are hereby incorporated as substantive findings of this Resolution.

SECTION 2. Compliance with CEQA (California Environmental Quality Act). The City Council finds the proposed interior and exterior modifications of the clubhouse are

categorically exempt from CEQA under the Class 1 exemption in the California State CEQA Guidelines Section 15301, as the project involves the minor alteration of an existing private structure involving no expansion of existing or former use. Additionally, the proposed site improvements to the common amenities area are categorically exempt from CEQA under the Class 3 exemption in the California State CEQA Guidelines Section 15303, as it involves updating an existing outdoor area with small accessory structures. The proposed project area includes all necessary services and facilities, will not involve the use of significant amounts of hazardous substances, and will not exceed 2,500 square feet in floor area.

SECTION 3. Approval of Project and Findings for Site Development Permit. In accordance with AVMC (Aliso Viejo Municipal Code) 15.74.020(D), the City Council hereby approves Planning Application PA22-006/SDP-2022-00002 for the renovation of the clubhouse and site improvements, subject to the conditions set forth in Exhibit "A" and project plans set forth in Exhibit "B", which are exhibits both attached hereto and incorporated herein by reference.

1. Consistency with General Plan. The project is consistent with the general plan designation of Very High Density as there will be no changes to the existing use. The proposed improvements are limited to remodeling the existing pool and clubhouse area, and removal of a guard tower at a multi-family complex.

2. Consistency with Zoning Code. The land use and associated development conform to the permitted use provisions and development standards of this zoning code and is consistent with the code and any applicable specific plan. Specifically, the proposed improvements are limited to remodeling existing amenities and demolishing a gate tower of a multi-family complex with no changes to the existing use. Additionally, the proposed project complies with the applicable provisions and development standards of the City's code including setbacks, height, lighting, design standards, and architectural and landscape requirements.

3. Compliance with CEQA. Processing and approval of the permit application are in compliance with the requirements of the California Environmental Quality Act. The proposed interior and exterior modification of the clubhouse is categorically exempt from CEQA under the Class 1 exemption in the California State CEQA Guidelines Section 15301, as the project is considered minor alteration of an existing private structure involving no expansion of existing or former use. The proposed site improvements are categorically exempt from CEQA under the Class 3 exemption in the California State CEQA Guidelines Section 15303, as the site improvements will update an existing outdoor area with small accessory structures, all necessary services and facilities are available, will not involve the use of significant amounts of hazardous substances, and will not exceed 2,500 square feet in floor area.

4. Architectural Design. The architectural design of the project, including but not limited to the architectural style, scale, building mass, materials, colors, architectural details, and roof style, are compatible with surrounding development.

The proposed project includes a reconfiguration of the interior space and the exterior design of the two-story clubhouse building. Most notably, the exterior staircase facing the pool will be demolished and the lower and upper areas along the same façade will be transformed into redesigned lounge areas. Specifically, the south end of the building will include a new upper lounge area, a portion of which will be covered. The exterior walls will be updated to a modern off-white color with black metal railings and gray accent walls. Elements of modern Spanish elements such as custom wall lights and breezeways will be incorporated in the design. The resulting color, material, roof style, and building mass/scale will remain compatible with the existing buildings of the larger multi-family complex. Separate from the pool and clubhouse area, the proposed project also includes the demolition of a tall guard tower at the entry/exit area at City Lights Drive. The guard tower is proposed to be demolished replaced with landscaping, thereby reducing unnecessary building mass, and providing a more visually open entryway.

5. Site Design. The site design of the project, including but not limited to project entries, interior circulation, pedestrian and bicycle access, pedestrian amenities, screening of equipment and trash enclosures, exterior lighting, and other site design elements, is compatible with surrounding development. As described in Section 3.5 above, the proposed project includes reconfiguration of the interior space to allow for the same uses in a more effective manner, while increasing the usable outdoor area on the upper floor of the building. Accessways will be upgraded for compliance with ADA requirements and larger lounge areas will be created with new outdoor furniture, cabanas, firepits, and exterior lighting to enhance the outdoor experience to its users. The proposed design elements will upgrade the dated amenity area to provide a more active recreational space. As for the guard tower, the proposed removal will enhance the entry/exit area by providing a more open landscaped median.

6. Landscape Design. Project landscaping, including but not limited to the location, type, size, color, texture, and coverage of plant materials, has been designed so as to provide visual relief, complement buildings, visually emphasize prominent design elements and vistas, screen undesirable views, provide a harmonious transition between adjacent land uses and between development and open space, and provide an overall unifying influence to enhance the visual continuity of the project. The existing outdoor areas will be redesigned and enhanced with planters, potted plants, barbeque and areas, lounge seating, cabanas, firepits, lights, dining tables with umbrellas, and overhead festival lighting. The existing pool deck and walkway areas will be resurfaced with concrete and decorative tile steps. The walkways will be reconfigured to comply with ADA requirements. The pool and spa will be updated with new concrete coping, waterline tile, and plaster. A portion of the exterior pool gate facing City Lights Drive will be replaced to match the existing dark steel material and the interior pool enclosure will be of glass material. The existing landscaping is proposed to be upgraded with planting of drought-tolerant species, transplanting existing mature trees, and date palms. The proposed landscape elements will visually enhance the amenities area, complementing the upgraded clubhouse. The upgraded pool/clubhouse will become a more attractive

recreational focal point, and the entry/exit area absent of the guard tower will be visually more open and compatible with the larger multi-family complex.

SECTION 4. Filing of Notice of Exemption. The City Council hereby authorizes and directs staff to prepare, execute and file with the Orange County Clerk a Notice of Exemption for the proposed project. Additionally, the Notice of Exemption for this project will be posted on the City of Aliso Viejo website, filed in the State Clearinghouse CEQA.net website and provided to parties requesting notification.

SECTION 5. Location of Documents. The administrative record for the Project is maintained at City Hall located at 12 Journey, Suite 100, Aliso Viejo, CA 92656. The custodian of records is the City Clerk.

PASSED, APPROVED AND ADOPTED this 18th day of January 2023.

_____
Richard Hurt
Mayor

APPROVED AS TO FORM:

_____
Scott C. Smith
City Attorney

ATTEST:

_____
Mitzi Ortiz, MMC
City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF ALISO VIEJO)

I, MITZI ORTIZ, City Clerk of the City of Aliso Viejo, California, DO HEREBY CERTIFY that the foregoing is the original of Resolution No. 2023-___ duly passed and adopted by the City Council of the City of Aliso Viejo at their regular meeting held on the 18th day of January, 2023, by the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

_____
MITZI ORTIZ
CITY CLERK

(SEAL)

EXHIBIT "A"
PLANNING APPLICATION PA21-006/SDP-2022-00002 (SDP)
CONDITIONS OF APPROVAL

1. Approval of the Planning Application PA22-006/SDP-2022-00002 for Site Development Permit (SDP) to remodel the two-story clubhouse building, pool, landscape, and hardscape including ADA compliant upgrades, and demolish the guard tower at 5000 City Lights Drive in accordance with all plans and exhibits as presented to and approved by the City Council on January 18, 2023.

2. This approval constitutes a precise plan for location and design of uses, structures, features and materials submitted with this application. Development shall occur as shown on the plans and description letter approved for this Project and on file in with the Community Development Director, subject to any modifications imposed by the conditions of approval herein, as confirmed by the Community Development Director. Any land use, construction or improvement not specifically approved by this site development permit is not permitted and must be addressed in a separate and subsequent application and review. Relocation, alteration or addition to any use, structure, feature, or material not specifically approved shall require an amendment to the approved plans unless the Community Development Director determines such modifications are minor and consistent with the spirit and intent of the original approving action, and that the action would have been the same for the modifications as for the approved plans. The Community Development Director may approve such minor modifications in accordance with AVMC Section 15.74.110.

3. For the purpose of Planning Application PA22-006/SDP-2022-00002 and as referenced in the conditions, "Applicant" shall apply to the City Lights at Town Center, owner, operator, and any and all future successors and/or assigns of the approved establishment.

4. The Applicant shall be responsible for payment of all applicable fees along with reimbursement for all City expenses in ensuring compliance with conditions. All fees and expenses shall be paid prior to issuing a certificate of occupancy. Prior to issuance of applicable City approvals or permits, the applicant shall be fully responsible for reimbursing the City of Aliso Viejo for all expenses incurred to process the application and assure compliance with all conditions of approval.

5. The Applicant shall be fully responsible for knowing and complying with all conditions of approval, including making conditions known to City Staff for future governmental permits or actions on the project site. Failure to abide by and faithfully comply with all conditions attached to granting these permits may constitute grounds for revocation of the permit(s) in accordance with AVMC Section 15.74.120.

6. To the fullest extent under the law and at its sole and absolute cost, the Owner/Developer, and Owner/Developer's successors, heirs, and assigns shall protect, defend with counsel reasonably acceptable to the City , indemnify, and hold

harmless the City, its officials, officers, employees, consultants, subcontractors, agents, and representatives (collectively, "Indemnitees") from any and all claims, actions, or proceedings against Indemnitee(s) brought pursuant to the Planning and Zoning Law, the Subdivision Map Act, the California Environmental Quality Act, the federal Clean Water Act, the Porter Cologne Water Quality Control Act or any other law, permit or regulation in order to attack, set aside, void, annul, or seek to impose liability on the City for granting the approval granted by this Resolution, including, without limitation, any alleged act or omission by Indemnitee(s) related to County of Orange SP (Specific Plan) 93109 and/or any related parking agreements, conditions, or regulations, which action is brought for declaratory relief, injunctive relief, specific performance, or for any monetary claims (including, but not limited to, fines, fees, penalties, expert witness fees, attorneys' fees, and other related costs and expenses). This provision shall not be restricted to insurance proceeds, if any, received by the Owner/Developer or Indemnitee(s). Moreover, this provision shall survive any expiration, termination, or revocation of this approval or related approvals.

7. All signs shall be maintained on the property in accordance with the Municipal Code and any adopted Sign Program in effect for the property.

8. This Resolution and Conditions of Approval shall be incorporated into building plans to all applicable reviewing agencies or authorities.

9. Tenant improvements shall be submitted for review, approved and permits issued, and shall comply with standards, regulations, and requirements of current editions of the California Building Code, California Plumbing Code and California Mechanical Code, California Electrical Code, including any local amendments adopted by the City of Aliso Viejo.

10. Tenant improvements shall be submitted for review, approved and permits issued, and shall comply with standards, regulations, and requirements of the Americans with Disabilities Act. At the discretion of the Building Official, the Applicant may be required to retain a Certified Access Specialist (CASp) to ensure compliance with applicable construction-related accessibility standards.

11. Roof-mounted mechanical equipment such as air conditioning, heating or ventilating units or ducting shall be screened from a horizontal line of sight. Such screening shall be architecturally consistent with the building and an integral part of the roof design so as not to appear as an architectural "afterthought." For flat roofs, an architecturally consistent screen enclosure behind the parapet wall may be used if it is made to appear as an integral part of the building. The ground-mounting of mechanical equipment, with appropriate wall or landscape screening is required.

12. Prior to issuance of temporary or final certificate of occupancy, all OCFA inspections shall be completed to the satisfaction of the OCFA inspector and be in substantial compliance with codes and standards applicable to the project and commensurate with the type of occupancy (temporary or final) requested. Inspections shall be

scheduled at least five days in advance by calling OCFA Inspection Scheduling at (714) 573-6150.

13. The Project shall be subject to the requirements of Title 15 Zoning Code, Appendix A Crime Prevention Through Environmental Design ("CPTED"). Based on the City Crime Prevention Specialist shall review and inspection of the Project, the Applicant shall make the required improvements and submit the necessary documentation showing compliance to the satisfaction of the Crime Prevention Specialist.

14. Above ground obstructions (utility cabinets, mailboxes, etc.) are to be placed within right-of-way landscaping areas whenever possible and shall be screened subject to the approval of the Community Development Director. When above ground obstructions are to be placed within sidewalk, a minimum five (5) foot clear sidewalk width must be provided around the obstruction.

15. All backflow preventers, transformers, and other above-grade utilities shall be appropriately screened from public with walls and/or plantings, unless prohibited by another governing agency.

16. The trash enclosure shall be modified to conform to the design standards of the disposal company responsible.

    a. The enclosure shall be built on a concrete pad provided with a floor drain connection to the sanitary sewer system or other approved containment method to the city engineer's satisfaction. Interior concrete or metal curbs shall be provided to prevent damage to the enclosure's walls from collisions with heavy containers.

    b. The enclosure shall be built on a concrete pad provided with a floor drain connection to the sanitary sewer system or other approved containment method to the city engineer's satisfaction. Interior concrete or metal curbs shall be provided to prevent damage to the enclosure's walls from collisions with heavy containers.

    c. The enclosure shall be provided with a solid overhead cover integrated into the enclosure design and approved by the Community Development Director and city engineer.

    d. Enclosures shall consist of a solid wall on three sides at least six feet in height and a solid self-latching gate on the fourth side at least five feet in height. Gates shall be metal or metal-framed, of heavy-duty construction sufficient to withstand hard usage and shall be attached to metal posts securely anchored into the ground. Gates shall be maintained in good working order and shall remain closed except when in use. Walls and gates shall be consistent with the colors and finishes of nearby buildings.

e. The use of plastic or corrugated metal for enclosure walls or overhead covers is prohibited.

f. In the event the existing trash enclosure needs to be expanded or redesigned, the enclosure design shall conform to the requirements established in AVMC Section 15.62.080(F) and subject to the review and approval of the Community Development Director and City Engineer.

17. The Applicant shall submit a detailed landscape plan for the site, which may require a Landscape Permit from the Department of Public Works. All landscaping work shall be completed and inspected prior to issuance of a Certificate of Occupancy.

18. Landscape plans shall include planting that conform to the following minimum size and planting density standards:

    a. Trees.

        i. Minimum size: eight feet high (measured from the top of container) with at least 30 percent to be minimum 24-inch box size.

        ii. Maximum spacing in parkways, entry drives, street medians, parking lot planter strips, and project boundary strips: average 30 feet.

    b. Shrubs.

        i. Minimum size: one gallon minimum with at least 30 percent to be five-gallon.

        ii. Maximum spacing: average 10 feet.

    c. Vines. As required to augment groundcover and/or provide screening for retaining walls.

    d. Groundcover. Hand-planted plugs with minimum density of one foot on center, or other density as approved by the director, or hydroseeding utilizing seed mixture approved by the director. Either of the preceding methods or a combination of the two shall be sufficient, in the director's judgment, to meet a goal of 100 percent slope coverage within one year of planting.

19. The Owner/Developer shall obtain a temporary use for the temporary placement of a trailer or relocatable building or the temporary use of a permanent structure on an active construction site as a construction and/or watchman's office, and the establishment of a temporary materials and equipment storage yard subject to the requirements established in AVMC 15.22.170 prior to issuance of any permit.

20. If any hazardous waste is encountered during construction of any portion of this project, all work shall be immediately stopped on that portion of the project, and the Orange County Health Care Agency (OCHCA), the Orange County Fire Authority (OCFA), the Orange County Sheriff's Department (OCSD), and the Director of Public Works shall be notified immediately. Work on that portion shall not continue until clearance is issued by all these agencies.

21. The Owner/Developer shall use prudent and reasonable measures to prevent unauthorized persons from entering the work site at any time and to protect the public from accidents and injury arising from the project's construction.

22. All workers and visitors to the site must observe a 10-mile per hour speed limit in the construction area.

23. All portions of the project site shall be continuously maintained free of litter or debris during construction per SWPPP and CAL-OSHA requirements.

24. The Project shall use low VOC cleaning supplies.

25. The Owner/Developer and its contractors shall ensure that either water-based or low-VOC coating with a VOC coating of 50 grams per liter (lower than SCAQMD Rule 1113) be utilized to apply the architectural coatings. In addition, the Project shall utilize transfer or spray equipment with high transfer efficiency. For example, a high volume, low pressure (HVLP) spray method coating application system operated at an air pressure between 0.1 and 10 pounds per square inch gauge (psig), with a 65 percent transfer efficiency. Manual transfer with brush or roller has 100 percent transfer efficiency.

26. The Project shall require paints with VOC content of 10 g/L or lower.

27. Signage for the property shall be reviewed separately and is not part of the approval of this Project. Before any sign installation, the Applicant shall submit a Sign Permit Application to the Community Development Director for approval and a permit shall be issued by the Building Official. All proposed signage for the building shall be submitted to the City and processed pursuant to AVMC 15.34 standards and/or any applicable planned sign program affecting the property. No advertising devices shall be permitted on or off the project site visible to the public.

Conditions Required Prior to the Issuance of a Building Permit

Building Department Conditions

28. Prior to issuance of a Building Permit, the Owner/Developer shall obtain all necessary and required approval of project plans from all City Departments, County of Orange, and all other applicable outside agencies.

29. Prior to issuance of a Building Permit, the Owner/Developer shall submit payment, or proof of payment prior to issuance of a building permit for that particular phase any and all applicable plan check, school, water, sewer, Transportation Corridor, and other public benefit fees, if not previously paid. Owner/Developer shall submit evidence of said payments.

30. Prior to issuance of a Building Permit, the Owner/Developer shall provide rough grade pad certification confirming the site has been graded in accordance with the approved grading plan.

31. Owner/Developer shall furnish three (3) complete sets of plans (structural, mechanical, electrical, and plumbing). Said plans submitted shall contain two (2) copies of soil reports, liquefaction investigation reports and structural calculations.

32. The cover sheet of building construction documents shall contain a blue line print of the City's Conditions of Approval and it shall be attached to each set of plans submitted for any construction or demolition or shall be printed on the title sheet verbatim.

33. Building addresses shall be facing street fronting property for each building approved by the Building Department and OCFA.

34. All plans shall be designed in conformance with the 2023 editions of the California Building Code, California Plumbing Code, California Mechanical Code, California Electrical Code, and the Aliso Viejo Municipal Code.

Fire Department Conditions

35. Prior to the issuance of necessary building permits, the Applicant or responsible party shall submit the plan(s) listed below to the Orange County Fire Authority for review and approval

    a. Architectural (Service Codes PR200-PR285)

    b. Hazardous materials compliance and chemical classification (Service Codes PR315-PR328)

    c. Hazardous equipment, processes, or operations (Service Codes PR345-PR360)

    d. High-piled storage (Service Code PR330)

    e. Refrigeration and vapor detection/alarm system (Service Codes PR340 and PR500-PR520), if required by the Refrigeration Disclosure worksheet in OCFA guideline G-02 or the California Fire or Mechanical Codes

Police Services Department Conditions

36. Pursuant to Zoning Code Appendix A: Requirements for Crime Prevention Through Environmental Design (CPTED), buildings, open parking lots, walkways, and accesses in nonresidential complexes shall conform to the following lighting standards:

    a. All types of exterior doors shall be illuminated during darkness, with a minimum maintained 1-foot candle of light, measured within a 5-foot radius on each side of the door at ground level. The light source shall be controlled by a photocell device or an uninterruptible A.C. power source.

    b. Recessed areas of buildings or fences, which have a minimum depth of 2 feet, a minimum height of 5 feet, and do not exceed 6 feet in width and are capable of human concealment, shall be illuminated with a minimum maintained 0.5 foot-candle of light at ground level during the hours of darkness. This requirement only applies to defined recessed areas within 6 feet of the edge of a designated walking surface with an unobstructed pathway not hindered by walls or hedge row landscaping at least 2 feet in height. The light source may be motion detectors with a photocell device.

    c. Stairways shall be illuminated with a vandal resistant light fixture with a minimum maintained 1 foot-candle of light on all landings and/or stair treads, during the hours of operation and darkness. The interior service stairways shall be painted a light, highly reflective color.

    d. All interior or exterior corridors, passageways and walkways in any hotel, motel or inn shall be illuminated with a minimum maintained 1-foot candle of light on the walking surface.

    e. All exterior pedestrian walkways, interior common corridors, and open parking lots shall be illuminated with a minimum maintained 1-foot candle of light on the walking or driving surface during operation and darkness.

    f. The light source utilized to comply with this section shall have a rated average bulb life of not less than 10,000 hours.

    g. Accessible luminaires utilized to meet the requirements of this section shall have vandal resistant light fixtures and be not less than 3 feet in height from ground level when used to illuminate walkways and a minimum of 8 feet in height from ground level when illuminating surfaces associated with vehicles. Light fixtures shall be deemed accessible if mounted within fifteen feet vertically or 6 feet horizontally from any accessible surface or any adjoining roof, balcony, landing, stair tread, platform, or similar structure.

    h. A site plan shall be provided showing buildings, parking area, walkways,

detailed landscaping and a point-by-point photometric calculation of the required light levels. Foot-candles shall be measured on a horizontal plane and conform to a uniformity ratio of 4:1 average/minimum. Landscaping shall not be planted to obscure required light levels.

i. All lighting on the property shall be designed to prevent spillovers onto neighboring properties.

37. Pursuant to Zoning Code Appendix A: Requirements for Crime Prevention Through Environmental Design (CPTED), to maintain sufficient illumination for security purposes, landscaping plans shall be designed so that trees and other landscaping do not obstruct light sources from outdoor fixtures, including parking lot lighting.

38. Pursuant to Zoning Code Appendix A: Requirements for Crime Prevention Through Environmental Design (CPTED), landscaping shall be designed so that trees and other landscaping do not obstruct views of traffic signs or address numerals on buildings.

Public Works Department Conditions

39. The Owner/Developer's Landscape Plan shall be prepared by a State licensed landscape architect and shall include all proposed and existing plant materials (location, type, size, and quantity), an irrigation plan, a grading plan, an approved site plan and a copy of the entitlement conditions of approval. The Owner/Developer shall post surety guaranteeing the construction of the improvements. The Plan shall be reviewed and approved by the Director of Public Works and the Community Development Director.

40. The Owner/Developer's Landscape Plan shall include elements to the extent practicable to protect existing and proposed pavements from root damage.

41. The Owner/Developer's Landscape Plan shall conform to the City's current Water Efficient Landscape Regulations at the time of submittal.

42. All graded slopes shall be permanently planted in a timely manner, meeting the Director of Public Works' approval and in compliance with the approved Landscape Plan with groundcover, trees and shrubs that will stabilize slopes and minimize erosion.

43. Pad certification by the Design Civil Engineer and Soil Engineer is required prior to commencing construction of any building foundation or structure.

Conditions Required Prior to Concealing Interior Construction

Fire Department Conditions

44. Prior to concealing interior construction, the Applicant or responsible party shall submit the plan(s) listed below to the Orange County Fire Authority for review and approval:

    a. Fire Alarm System (Service Code PR500-PR520).

    b. Fire Sprinkler System (Service Codes PR430-PR455) if the building is currently sprinklered and the system requires modification.

Conditions Required Prior to Final Building Inspection or Occupancy Permit

Building Department Conditions

45. Before issuing a Certificate of Use and Occupancy, the Owner/Developer shall obtain final approval for all City departments and County agencies.

46. Prior to issuance of a Certificate of Use and Occupancy, the Owner/Developer shall submit a final compliance report from all independent deputy inspection firms involved in the project outlining each area of inspection.

47. Before issuing a Certificate of Use and Occupancy, the Owner/Developer shall submit a final compliance report from Structural Engineer of Record.

48. Prior to issuance of a Certificate of Use and Occupancy, the Owner/Developer shall provide copies of all Title 24, Part 6 Certificate of Acceptance Forms including all lighting, electrical and mechanical.

Fire Department Conditions

49. Prior to issuance of temporary or final certificate of occupancy, all OCFA inspections shall be completed to the satisfaction of the OCFA inspector and be in substantial compliance with codes and standards applicable to the project and commensurate with the type of occupancy (temporary or final) requested. Inspections shall be scheduled at least five days in advance by calling OCFA Inspection Scheduling at (714) 573-6150.

Planning Department Conditions

50. All temporary units, equipment, and fencing shall be removed from the site prior to final inspection for the final building construction project on site.

51. Prior to issuance of a Certificate of Occupancy, the Owner/Developer shall schedule an inspection with the Building & Safety Division to ensure the project was completed in substantial compliance with codes and applicable standards.

Police Services Department Conditions

52. Prior to issuance of a Certificate of Occupancy, the Owner/Developer shall schedule an inspection by the Aliso Viejo Police Services Crime Prevention Specialist to confirm the implementation of CPTED standards and security hazards have been mitigated to the satisfaction of the Crime Prevention Specialist.

Public Works Department Conditions

53. Prior to issuance of a Certificate and Occupancy, the landscape architect shall provide written certification to the City stating installation is in substantial conformance with the approved landscape plans. If there are variations, the variations shall be approved by the Director of Public Works and Community Development Director.

54. Prior to issuance of a Certificate of Use and Occupancy, the Owner/Developer shall provide a written certification for the operation of all backflow devices.

Shea Properties

August 29, 2022

RE: Project Description and Justification

To Whom It May Concern:

The project currently known as City Lights at Town Center Apartments ("City Lights") is a 793-unit apartment complex located on 5000 City Lights Dr., Aliso Viejo, CA 92656. City Lights is proposing to renovate the existing 12K SF 2-story clubhouse and the surrounding pool deck. City Lights is currently under the process of undergoing units renovations (each unit with its own separate permit #) and have currently renovated 284 units thus far (with another 29 units under construction). The scope of the renovations include but are not limited to new flooring, new appliances, new cabinets, and new plumbing fixtures. A set schedule for unit renovations cannot be provided since the units are renovated as tenants opt to move out, however we do anticipate the unit renovations to be complete by approximately Q1 2025. The clubhouse serves as the project's leasing center and only amenity building and will continue to do so after the renovation. The goal is to deliver a renovated clubhouse/pool deck to the fully renovated property.

Our intent is to demolish portions of the current building footprint, as seen on pages A-2.1 and A-2.2 and build out to the former column line / roof line of the building, taking space that was an exterior colonnade and capturing it as interior conditioned space. The overall building footprint remains roughly about the same as the existing structure by expanding into under-utilized space such as of the colonnade to create more usable amenity spaces for tenants. These new spaces include: a refreshed clubroom that faces out to the pool, conference room, newly located offices and leasing area, work room & fitness, new mail & parcel locker, co-workspace, decks and outdoor covered areas, see sheets A-2.3 and A-2.4 Building restrooms and elevator will remain unchanged. The existing stair to the parking lot will remain unchanged, but the radiused stair to the pool will be demolished and a new stair added to the southern portion of the building. Overall mass, scale and roof design of the Leasing Clubhouse will remain similar to the remainder of the two-story portion of the building. In addition to the proposed remodel of the clubhouse, we are proposing to demolish the guard tower located at the gate entrance to the property and replace it with a large oak tree. Currently, the guard tower serves no purpose and the addition of the oak tree would complement the existing landscape.

The existing outdoor areas will be enhanced as well with expanded/enhanced planters, BBQ areas, lounge seating, cabanas, and overhead festival lighting. Landscaping will be reimagined to incorporate both existing and new plantings to present a cohesive and comfortable setting for tenants. Although new landscaping will be brought in to complement the redesign, all current landscaping (including all existing king palms) will be repurposed/reused within the existing pool deck to the maximum extent possible. A new fence constructed between the building and pool area

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will divide lounge spaces and poolside activities. The existing ground-mounted AC condensers located near the west end of the clubhouse will be relocated while the existing AC condensers located near the pool equipment room / MPOE will remain as-is. The relocated condensers will be installed on the roof in a manner so that they are not visible from the apartment units and public right of way. The relocated AC condensers will have 7' high parapet walls covering 2 sides of the area containing the condensers, while the other 2 sides will be covered by metal panels insuring that all sides of area containing the condensers will be blocked from public view.

The exterior material palette for the renovation is intended to add a modern twist but also be a complimentary approach onto the previous architecture style. The proposed color scheme of the clubhouse will be a combination of off-whites and greys, in an effort to stay consistent with the color scheme of existing street frontages and surrounding buildings. Additionally, to keep the color scheme consistent throughout the entire project, all residential buildings of the project will be repainted in the same color scheme as the proposed remodeled clubhouse. The plan is to paint the apartment buildings as soon as reasonably possible following the completion of the clubhouse remodel. The painting of the residential buildings is estimated to take approximately 1 year to complete (estimating a little over a month per building) and should be complete by roughly Q1 2025, following the completion of the clubhouse remodel in roughly Q1 2024. Concurrent with the paint refresh of the apartment buildings, the exterior lighting fixtures will also be replaced/updated to match the exterior lighting fixtures proposed for the clubhouse remodel. The black window trim of the clubhouse will remain unchanged from its current color scheme. The end goal is to have a cohesive color/material scheme along throughout the entire project post renovation.

Tenants will have access from various key-fobbed access points to both internal and external amenities with resident services having the ability to limit access during non-business hours of certain spaces when applicable. Potential residents may peruse the clubhouse and its proposed amenities during business hours, but actual access/usage to the spaces will be limited to the apartment tenants. All entry points to the clubhouse and its amenities will be behind a locked/key-fobbed door and works to prevent unwanted visitors. Adequate lighting will be provided in and around the clubhouse, including all indoor/outdoor corridor spaces. A photometric study will be engaged at the appropriate time to ensure we have proper lighting in and around the clubhouse.

We are excited to bring our community of residents this renovated leasing/amenity building for them to enjoy. If you have any questions, please do not hesitate to contact me.

Gregory Kim
Development Manager
Shea Properties
949-389-7117

SHEA CITY LIGHTS

SITE DEVELOPMENT PERMIT

AUGUST 1, 2022

TCA ARCHITECTS



PROJECT DESCRIPTION / SCOPE OF WORK

Project Address: 5000 City Lights Dr, Aliso Viejo, CA 92656

The proposed project is to renovate the existing two-story amenity building and pool area within the City Lights at Town Center Apartments community.

Our intent is to demolish portions of the current building footprint, as see on pages A-2.1 and A-2.2 and build out to the former column line / roof line of the building, taking space that was an exterior colonnade and capturing it as interior conditioned space. The overall building footprint remains roughly about the same as the existing structure by expanding into under-utilized space such as of the colonnade to create more usable amenity spaces for tenants. These new spaces include: a refreshed clubroom that faces out to the pool, conference room, newly located offices and leasing area, work room & fitness, new mail & parcel locker, co-workspace, decks and outdoor covered areas, see sheets A-2.3 and A-2.4. Building restrooms and elevator will remain unchanged. The existing stair to the parking lot will remain unchanged, but the radiused stair to the pool will be demolished and a new stair added to the southern portion of the building. Overall mass, scale and roof design of the Leasing Clubhouse will remain similar to the remainder of the two-story portion of the building.

The existing outdoor areas will be enhanced as well with expanded/enhanced planters, BBQ areas, lounge seating, cabanas and overhead festival lighting. Landscaping will be reimagined to incorporate both existing and new plantings to present a cohesive and comfortable setting for tenants. A new fence constructed between the building and pool area will divide lounge spaces and poolside activities. Existing ground-mounted AC equipment will be removed, and new units will be installed on the roof not visible from the public right of way. AC condensers will be hidden from view via mansard roofs above the Leasing and Mail Room.

The exterior material palette for the renovation is intended to add a modern twist but complimentary approach onto the previous architecture style. The proposed color scheme is designed to be the foundation for the future paint refresh of the residential apartment portion of the City Lights at Town Center Apartments, to be done separately. Colors and materials will be cohesive between the apartments and the new clubhouse.

Pedestrians will have access from various key-fobbed access points to both internal and external amenities with resident services having the ability to limit access during non-business hours of certain spaces when applicable.

Please see additional notes on demo and floor plan sheets for further clarification.

* Panel antennas will be a maximum of 6'0" in height.

PARKING

EXISTING UNIT TABULATIONS (PARKING)

UNIT PLAN #	# OF UNITS PHASE I	# OF UNITS PHASE II	TOTAL UNITS PHASES I & II	UNIT SQ. FT.	# BEDRMS./BATHS COUNTS	REQUIRED PARKING PHASE I	REQUIRED PARKING PHASE II	PROPOSED PARKING PHASE I	PROPOSED PARKING PHASE II	PARKING RATIO FOR BOTH PHASE I AND 2
1	55	19	74	548	1-BED (JR.)/1-BATH	82.5	28.5	83	29	74 X 1.5
2	83	56	139	708	1-BED/1-BATH	124.5	84	125	84	139 X 1.5
3	64	53	117	807	1-BED/1-BATH	96	79.5	96	80	117 X 1.5
4	34	0	34	1,022	2-BED/2-BATH	78	NA	78	N/A	34 X 2
4B	0	71	71	903	1-BED/DEN/1-BATH	NA	106.5	N/A	107	71 X 1.5
5	24	67	91	1,028	2-BED/2-BATH (SMALL 2ND BR.)	48	134	48	134	91 X 2
6	84	0	84	1,040	2-BED/2-BATH (1=MASTER)	178	N/A	178	N/A	84 X 2
7	36	71	107	1,047	2-BED/2-BATH	72	142	72	142	107 X 2
8 (WITH GREAT ROOM) AT FORTH FLOOR ONLY	9	8	17	1,534	2-BED/2-BATH (OPEN CONCEPT)	18	16	18	16	17 X 2
8 (WITH DEN) AT 2ND/3RD. FLOORS	18	14	32	1,534	2-BED/2-BATH (WITH DEN)	36	28	36	28	32 X 2
8A (WITH 3-BEDROOM) AT FIRST FLOOR ONLY	9	8	17	1,534	3-BED/2-BATH	27	24	27	24	17 X 3
TOTALS:	426	367	793			760	642.5	761	644	
						PHASE I	PHASE II	PHASE I	PHASE II	
EXISTING GUEST PARKING						53	104			
PROPOSED GUEST PARKING								52	103	
TOTALS:						813	747	813	747	

PROJECT TEAM

DEVELOPER:

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Contact: Willis Chin

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VICINITY MAP



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L.8	PLANTING IMAGERY
L.9	PLANTING WATER USE EXHIBIT
L.10	PRELIMINARY LIGHTING PLAN

CIVIL:

C-1.0	CONCEPTUAL GRADING

BUILDING AREAS

EXISTING AREAS

LEVEL 1	Area
Kitchen	107 SF
Rec Room	762 SF
Leasing Office	871 SF
Hospitality	305 SF
Prop. Director	237 SF
Office	117 SF
Dry Clean / UPS	105 SF
Hall	184 SF
Work Room	155 SF
Service Mgr.	98 SF
Womens	253 SF
Mens.	241 SF
Elev. Equip	36 SF
Elev. Shaft	54 SF
W.H. Closet	18 SF
Electrical Closet	22 SF
Fountain Pump Euip.	37 SF
Cardio / Weight	993 SF
Pool Equip.	152 SF
M.P.O.E.	195 SF
Jan. Closet	24 SF
Electrical Closet (pool)	34 SF
SUBTOTAL	**5,000 SF**

LEVEL 2	Area
Conference	362 SF
Business	146 SF
Media	696 SF
Womens	72 SF
Mens	78 SF
Hall	236 SF
Aerobics	777 SF
Storage	134 SF
Massage	143 SF
SUBTOTAL	**2,644 SF**

TOTAL	7,644 SF

*Areas are gross areas measured to the exterior face of exterior walls, excludes unconditioned covered space - exception Covered Deck

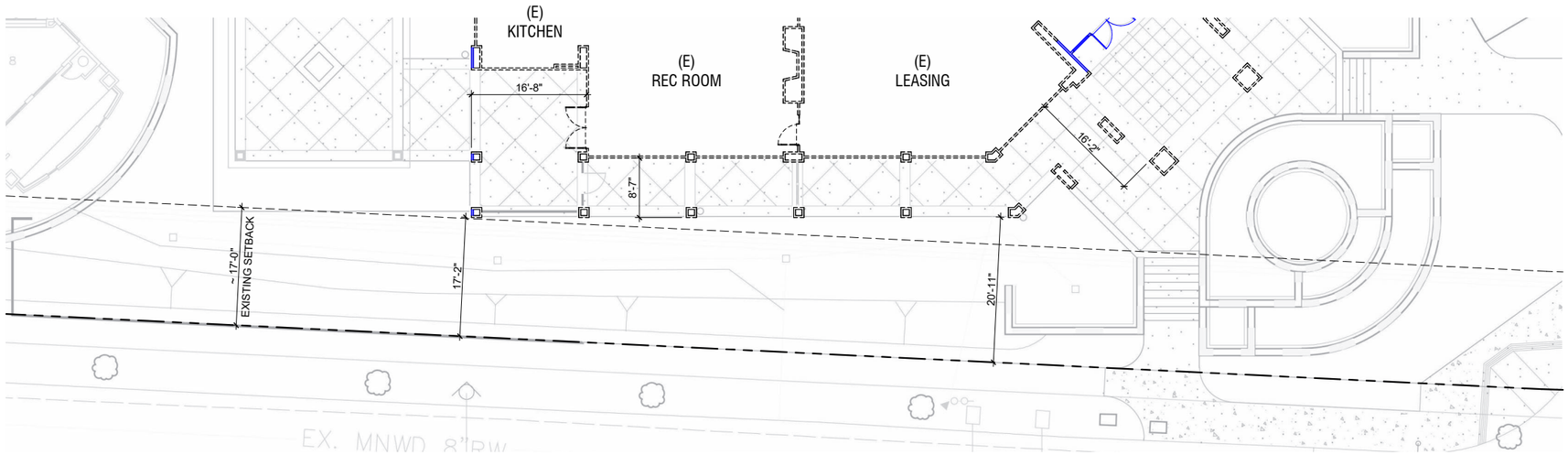
RENOVATION AREAS

LEVEL 1	Area
Clubroom	1,511 SF
Leasing	899 SF
Office 1	255 SF
Office 2	158 SF
Office 3	158 SF
Break Room	184 SF
Resident Services & Work Room	466 SF
Mail	964 SF
Parcel Locker	254 SF
Office	129 SF
Storage	148 SF
Restroom	96 SF
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Mens	271 SF
Utility	39 SF
Mach.	40 SF
Elev.	62 SF
Jan. Closet	136 SF
Corridor	407 SF
Storage	42 SF
Co-Work Space	902 SF
Conference Room	391 SF
Pool Equip.	152 SF
M.P.O.E.	195 SF
SUBTOTAL	**8,140 SF**

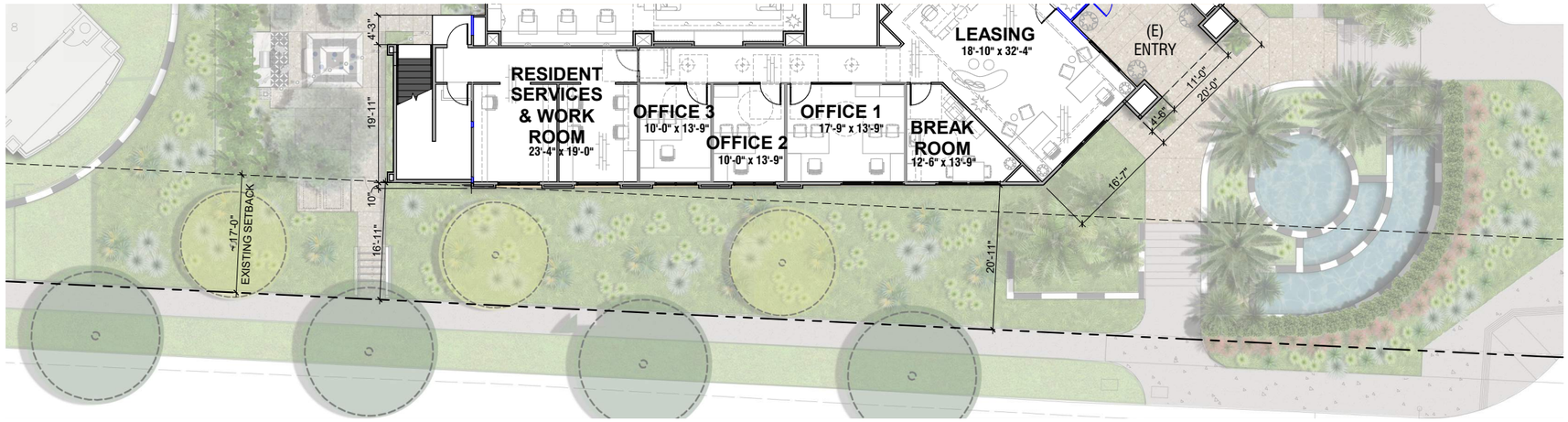
LEVEL 2	Area
Covered Deck	1,200 SF
Fitness 1	1,191 SF
Fitness 2	1,031 SF
Womens	113 SF
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Break Room	151 SF
Storage	113 SF
SUBTOTAL	**3,950 SF**

TOTAL	12,090 SF

*Areas are gross areas measured to the exterior face of exterior walls, excludes unconditioned covered space - exception Covered Deck



1) EXISTING BUILDING



2) PROPOSED BUILDING



CITY LIGHTS
ALISO VIEJO, CALIFORNIA
TCA # 2019-012

TCA ARCHITECTS | Shea Properties

SITE DEVELOPMENT PERMIT
AUGUST 1, 2022

NEIGHBORHOOD CONTEXT PLAN

A-1.1



1) EAST BUILDING ELEVATION FROM CITY LIGHTS DR



2) MAIN CORNER AT ENTRY



3) NORTH BUILDING ELEVATION AT ENTRY PLAZA



4) COVERED PATIO



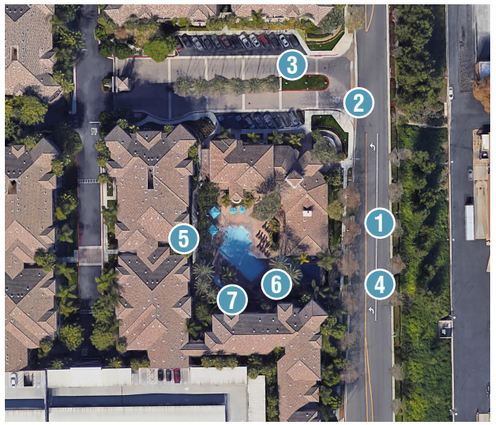
5) OVERALL POOL VIEW FROM ABOVE



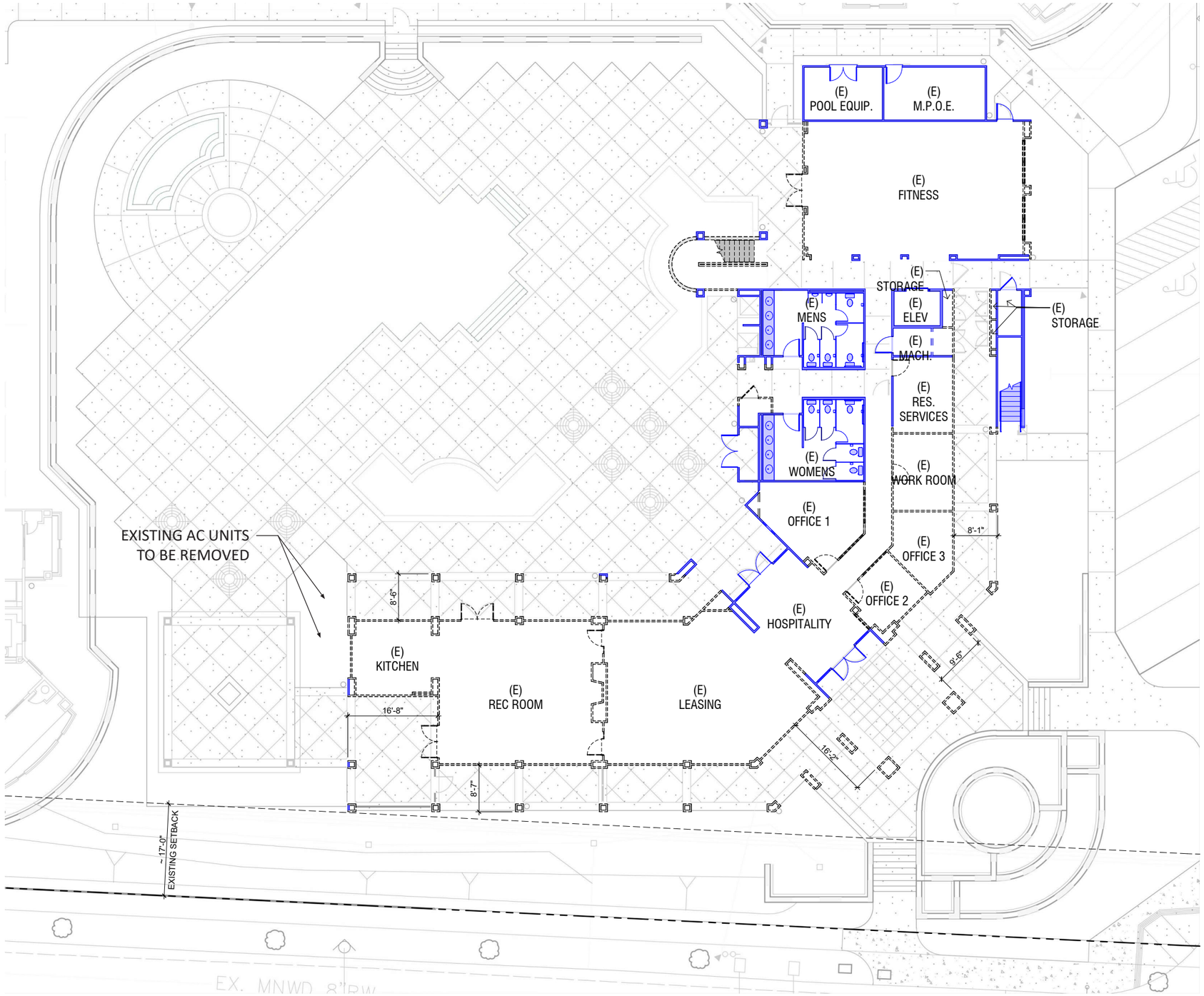
6) VIEW OF POOL



7) VIEW FROM SPA



KEY MAP - TOWARDS SITE PERSPECTIVES



Design Intention

Demo existing walls at perimeter of building and build out to column line to increase usable area.

Demo roof areas impacted by wall removal.

Demo interior walls to create new interior spaces.

Maintain existing restrooms, elevator, pool equipment room and MPOE room.

Maintain existing stair at parking lot, but demo stair at pool courtyard.

EXISTING WALL TO BE DEMOLISHED (~ 1,103 LF)

EXISTING WALL TO REMAIN (~ 880 LF)

*WALL QUANTITIES SHOULD BE CONSIDERED AS ESTIMATES ONLY, FORMAL QTO WILL BE THE RESPONSIBILITY OF THE GC.

CITY LIGHTS
ALISO VIEJO, CALIFORNIA
TCA # 2019-012

TCA ARCHITECTS

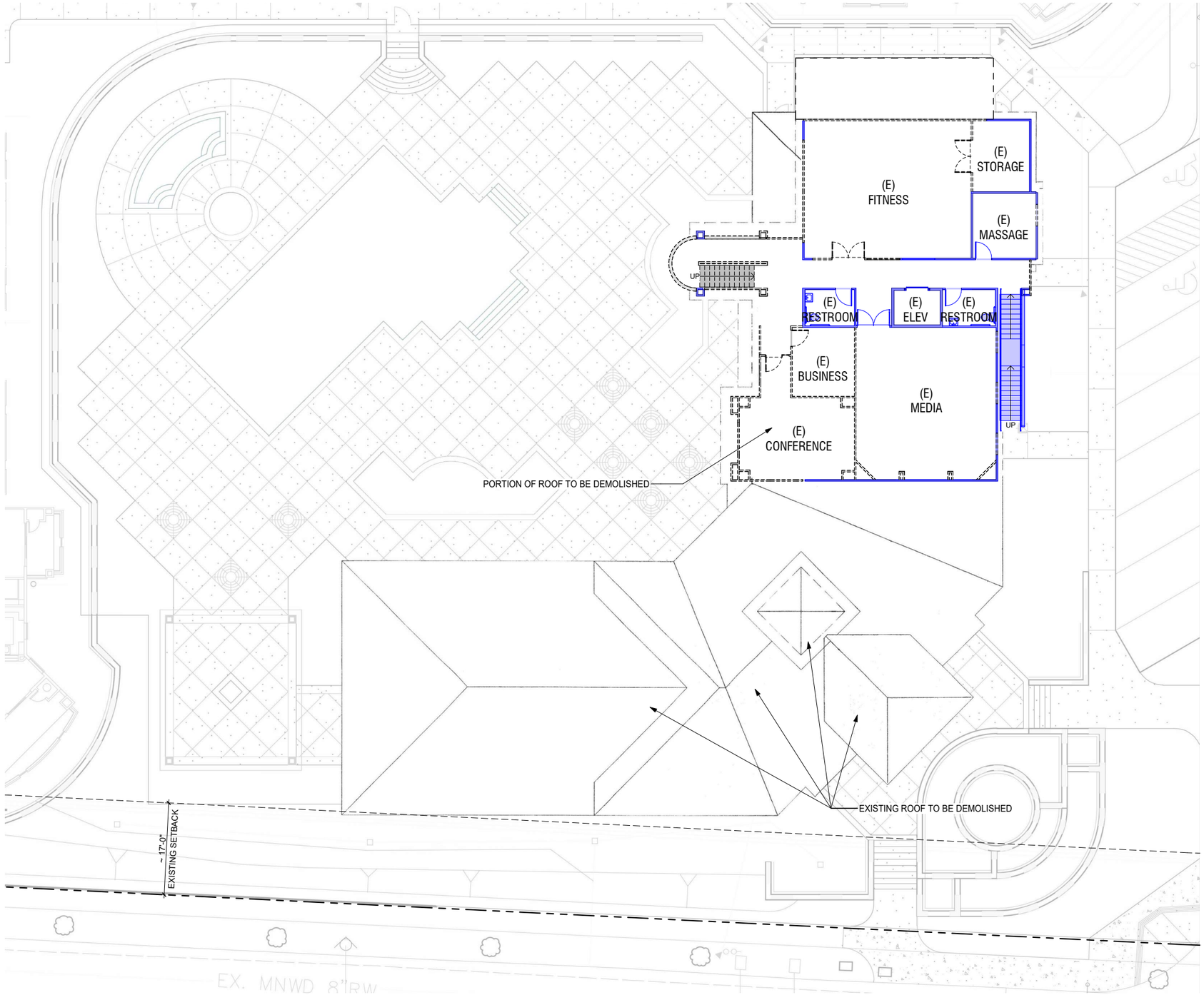
Shea Properties

SITE DEVELOPMENT PERMIT
AUGUST 1, 2022

0' 10' 20' 40'

ARCHITECTURAL DEMOLITION PLAN
LEVEL 1
(See Landscape Plans for Additional Demo Information)

A-2.1



Design Intention

Demo existing walls at perimeter of building and build out to column line to increase usable area.

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Maintain existing restrooms, elevator, pool equipment room and MPOE room.

Maintain existing stair at parking lot, but demo stair at pool courtyard.

EXISTING WALL TO BE DEMOLISHED
(~ 325 LF)

EXISTING WALL TO REMAIN
(~ 339 LF)

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CITY LIGHTS
ALISO VIEJO, CALIFORNIA
TCA # 2019-012

TCA ARCHITECTS

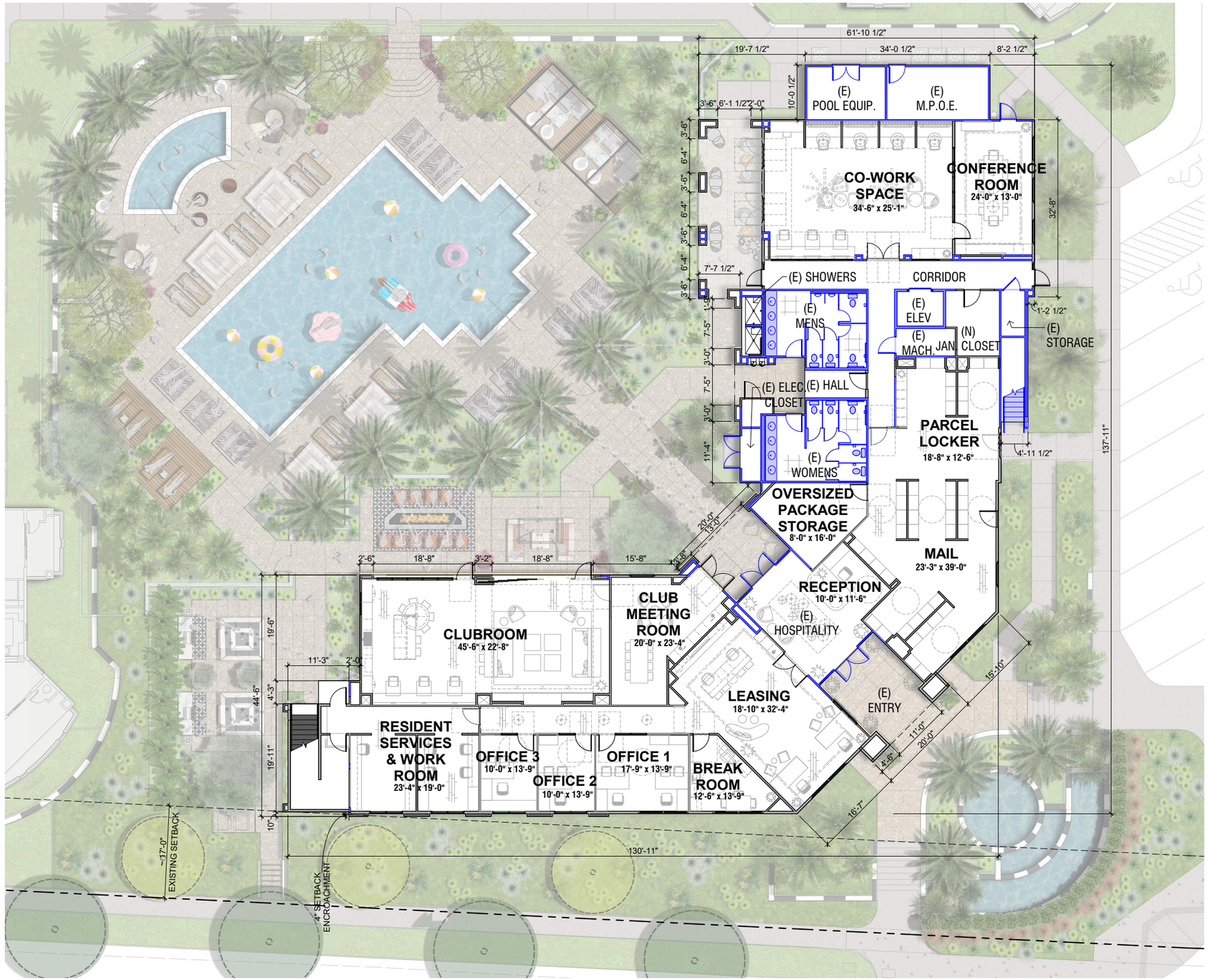
Shea Properties

SITE DEVELOPMENT PERMIT
AUGUST 1, 2022

0' 10' 20' 40'

ARCHITECTURAL DEMOLITION PLAN
LEVEL 2
(See Landscape Plans for Additional Demo Information)

A-2.2



Design Intention

Expand building footprint to former exterior column line / roof line of building.

Revise location of leasing offices and clubroom and expand size.

Create co-working amenity space for residents.

Relocated / add new stair to pool courtyard from new roof deck above.

Relocated parcel locker room to first floor.

Existing restrooms to remain.

New windows and doors material/type to be consistent with existing design throughout project.

EXISTING AREAS

LEVEL 1

	Area
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EXISTING WALL TO REMAIN (~ 880 LF)

NEW WALL (~ 1,852 LF)

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CITY LIGHTS

ALISO VIEJO, CALIFORNIA
TCA # 2019-012

TCA ARCHITECTS

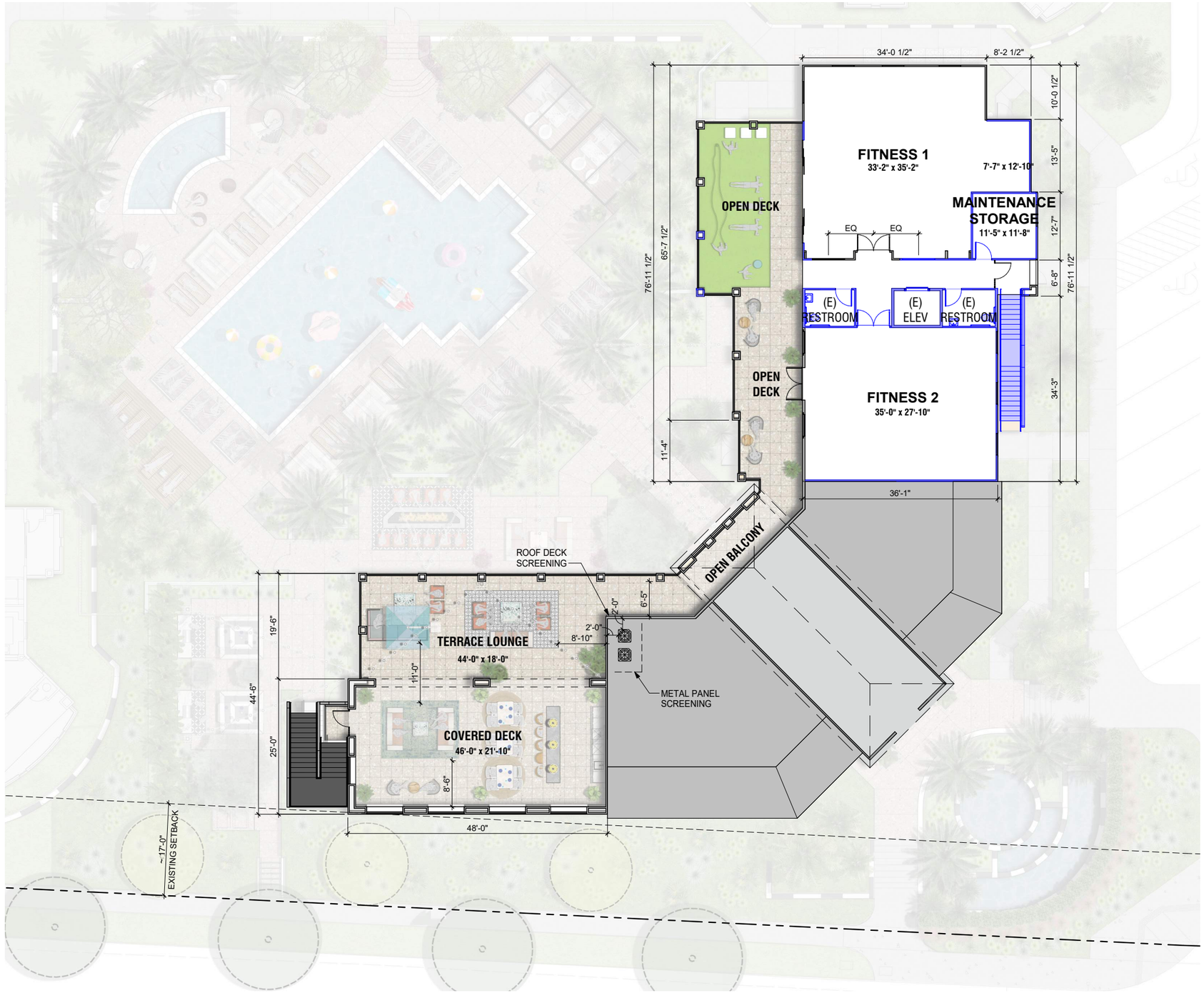
Shea Properties

SITE DEVELOPMENT PERMIT
AUGUST 1, 2022

0' 10' 20' 40'

PROPOSED BUILDING PLAN
LEVEL 1

A-2.3



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CITY LIGHTS

ALISO VIEJO, CALIFORNIA
TCA # 2019-012

TCA ARCHITECTS

Shea Properties

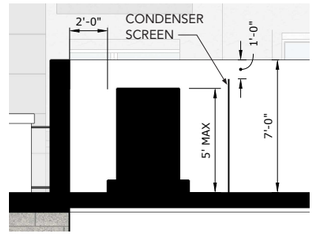
SITE DEVELOPMENT PERMIT
AUGUST 1, 2022

0' 10' 20' 40'

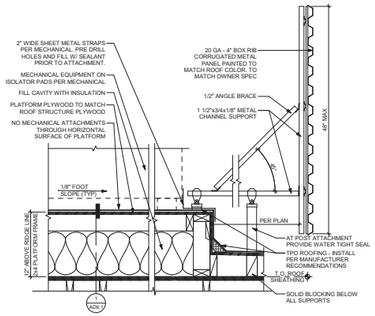
PROPOSED BUILDING PLAN
LEVEL 2

A-2.4





1) AC CONDENSER CROSS SECTION



2) TYPICAL AC CONDENSER SCREENING DETAIL



3) VIEW FROM TOP FLOOR OF SOUTHERN APARTMENT BUILDING

CITY LIGHTS
ALISO VIEJO, CALIFORNIA
TCA # 2019-012

TCA ARCHITECTS | Shea Properties

SITE DEVELOPMENT PERMIT
AUGUST 1, 2022

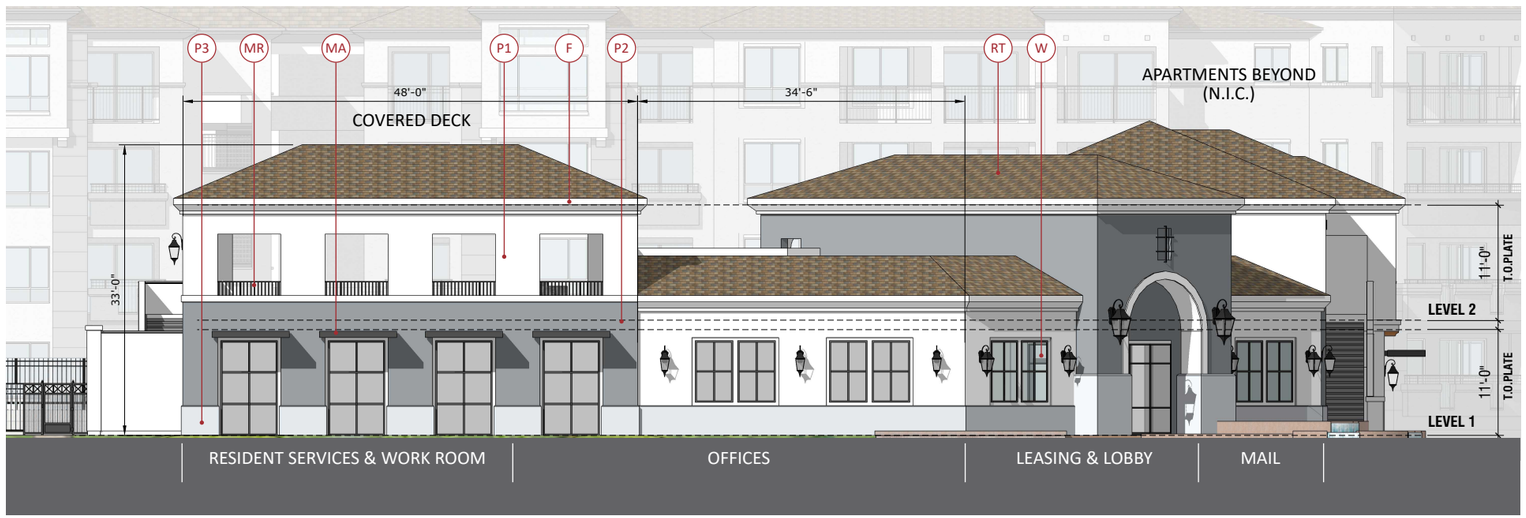
0' 10' 20' 40'

PROPOSED ROOF PLAN

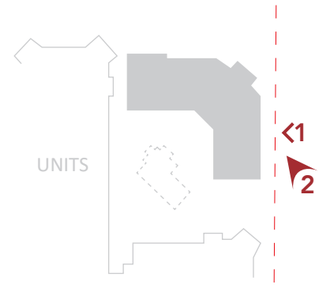
A-2.5



2) PERSPECTIVE OF LEASING OFFICES



P - PLASTER FNISH
RT - ROOF TILE
MA - METAL AWNING
GR - GLASS RAILING
MR - METAL RAILING
W - VINYL WINDOW
D - SLIDING DOOR SYSTEM
F - NEW FASCIAS TO MATCH EXISTING



KEY MAP

* LANDSCAPE FOR CONTEXT ONLY. FOR ACTUAL LANDSCAPING -PLEASE SEE L.1-L.8
** GATE DESIGN ON L.2

CITY LIGHTS
ALISO VIEJO, CALIFORNIA
TCA # 2019-012

TCA ARCHITECTS

Shea Properties

SITE DEVELOPMENT PERMIT
AUGUST 1, 2022

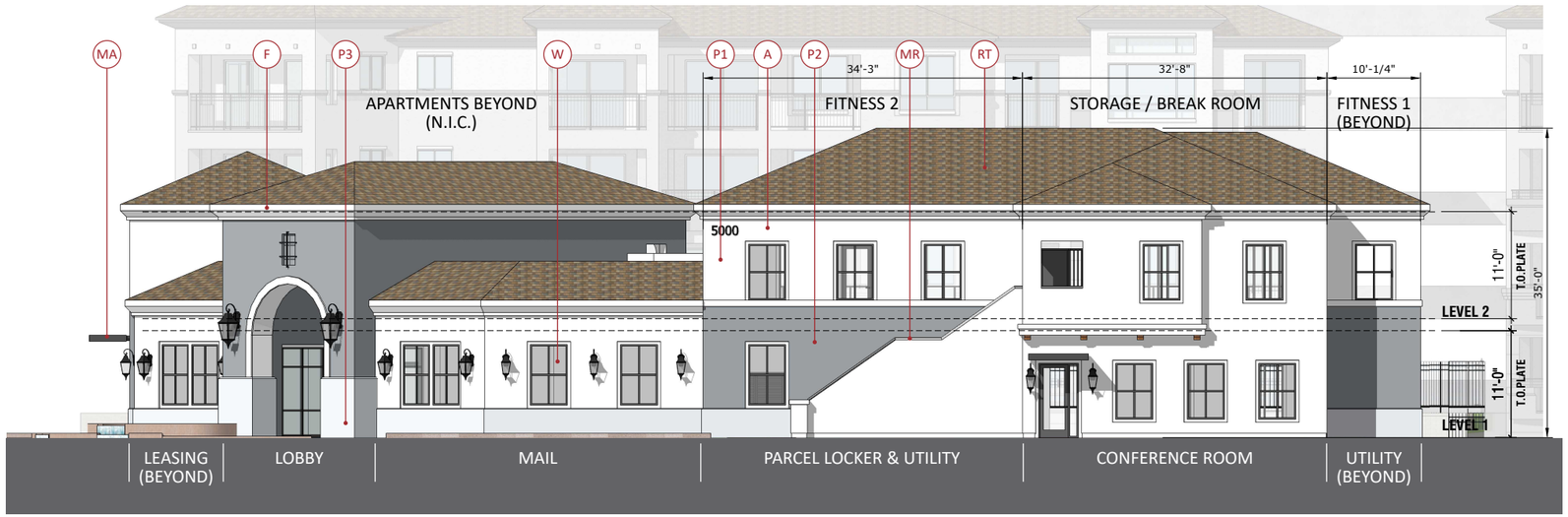
0' 8' 16' 32'

PROPOSED EXTERIOR ELEVATION & PERSPECTIVE
EAST

A-3.1



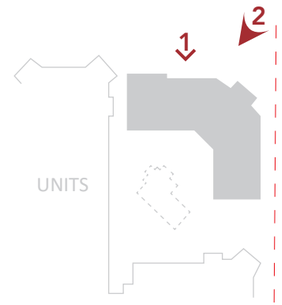
2) PERSPECTIVE TOWARDS CO-WORK SPACE



1) NORTH ELEVATION

MATERIAL LEGEND

P - PLASTER FNISH
RT - ROOF TILE
MA - METAL AWNING
GR - GLASS RAILING
MR - METAL RAILING
W - VINYL WINDOW
D - SLIDING DOOR SYSTEM
F - NEW FASCIAS TO MATCH EXISTING
A - BUILDING ADDRESS (EXISTING LOCATION)



KEY MAP

* LANDSCAPE FOR CONTEXT ONLY. FOR ACTUAL LANDSCAPING -PLEASE SEE L.1-L.8

CITY LIGHTS
ALISO VIEJO, CALIFORNIA
TCA # 2019-012

TCA ARCHITECTS

Shea Properties

SITE DEVELOPMENT PERMIT
AUGUST 1, 2022

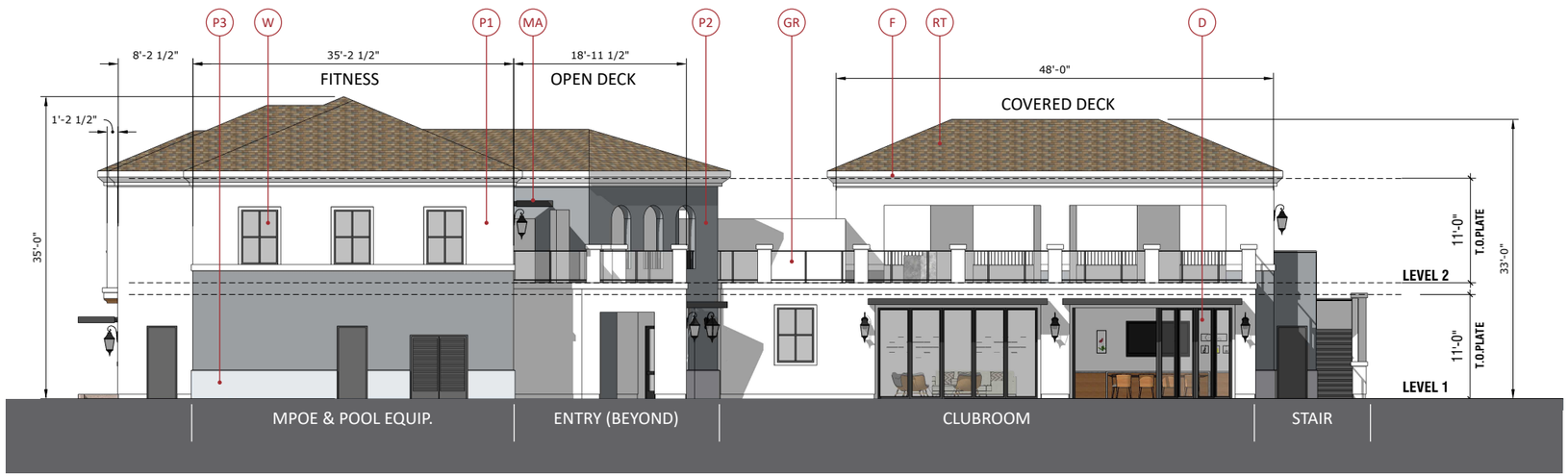
0' 8' 16' 32'

PROPOSED EXTERIOR ELEVATION & PERSPECTIVE
NORTH

A-3.2



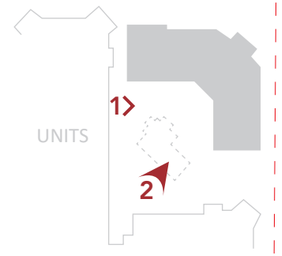
2) PERSPECTIVE TOWARDS CLUBROOM



1) WEST ELEVATION

MATERIAL LEGEND

P - PLASTER FNISH
RT - ROOF TILE
MA - METAL AWNING
GR - GLASS RAILING
MR - METAL RAILING
W - VINYL WINDOW
D - SLIDING DOOR SYSTEM
F - NEW FASCIAS TO MATCH EXISTING



KEY MAP

* LANDSCAPE FOR CONTEXT ONLY. FOR ACTUAL LANDSCAPING -PLEASE SEE L.1-L.8

CITY LIGHTS
ALISO VIEJO, CALIFORNIA
TCA # 2019-012

TCA ARCHITECTS

Shea Properties

SITE DEVELOPMENT PERMIT
AUGUST 1, 2022

0' 8' 16' 32'

PROPOSED EXTERIOR ELEVATION & PERSPECTIVE
WEST

A-3.3



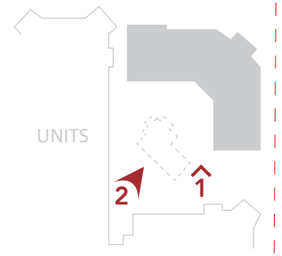
2) PERSPECTIVE TOWARDS AMENITIES



1) SOUTH ELEVATION

MATERIAL LEGEND

P - PLASTER FNISH
RT - ROOF TILE
MA - METAL AWNING
GR - GLASS RAILING
MR - METAL RAILING
W - VINYL WINDOW
D - SLIDING DOOR SYSTEM
F - NEW FASCIAS TO MATCH EXISTING



KEY MAP

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CITY LIGHTS
ALISO VIEJO, CALIFORNIA
TCA # 2019-012

TCA ARCHITECTS

Shea Properties

SITE DEVELOPMENT PERMIT
AUGUST 1, 2022

0' 8' 16' 32'

PROPOSED EXTERIOR ELEVATION & PERSPECTIVE SOUTH

A-3.4



CITY LIGHTS
ALISO VIEJO, CALIFORNIA
TCA # 2019-012

TCA ARCHITECTS

Shea Properties

SITE DEVELOPMENT PERMIT
AUGUST 1, 2022

PERSPECTIVE
OVERALL FROM ENTRY COURT



CITY LIGHTS
ALISO VIEJO, CALIFORNIA
TCA # 2019-012

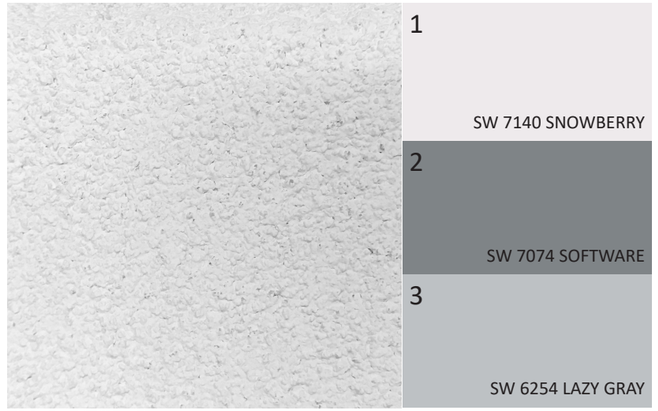
TCA ARCHITECTS

Shea Properties

SITE DEVELOPMENT PERMIT
AUGUST 1, 2022

PERSPECTIVE
OVERALL FROM CITY LIGHTS DR

A-3.6



P - Plaster - Omega or Equal



RT - Eagle Roofing - Bel Air - 4671 Village Blend or Equal



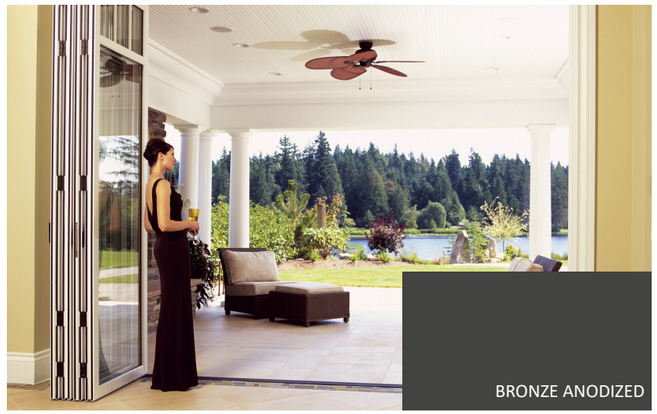
MR - Metal Railing - TBD



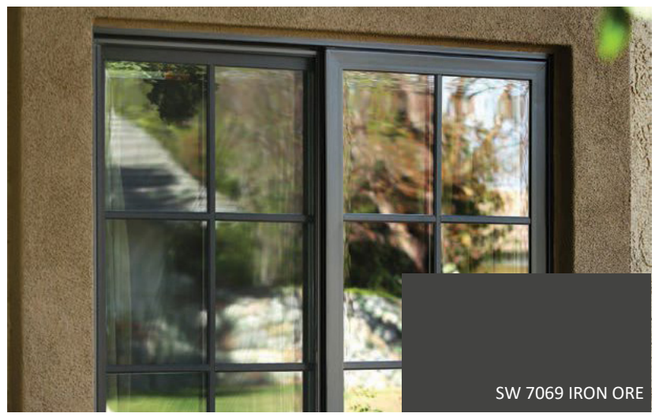
MA - Metal Awning



GR - Glass Railing - TBD



D - Folding Door System - TBD



W - Vinyl Window - Millgard - Tuscany Series



CITY LIGHTS
ALISO VIEJO, CALIFORNIA
TCA # 2019-012

MJS LANDSCAPE ARCHITECTURE

Shea Properties

AVCA SUBMITTAL
JULY 29, 2022

GROUND LEVEL LANDSCAPE SITE PLAN

L.1



PAVING
- concrete

FITNESS TERRACE
- synthetic turf
- soft seating

TERRACE LOUNGE
- lounge seating
- pottery

THE HANGOUT
- sit-up bar
- counter w/ sink, fridge, and kegerator
- wall mounted TV
- dining tables
- pendant lights
- pottery

LOUNGE
- pottery
- lounge seating

CITY LIGHTS

ALISO VIEJO, CALIFORNIA
TCA # 2019-012

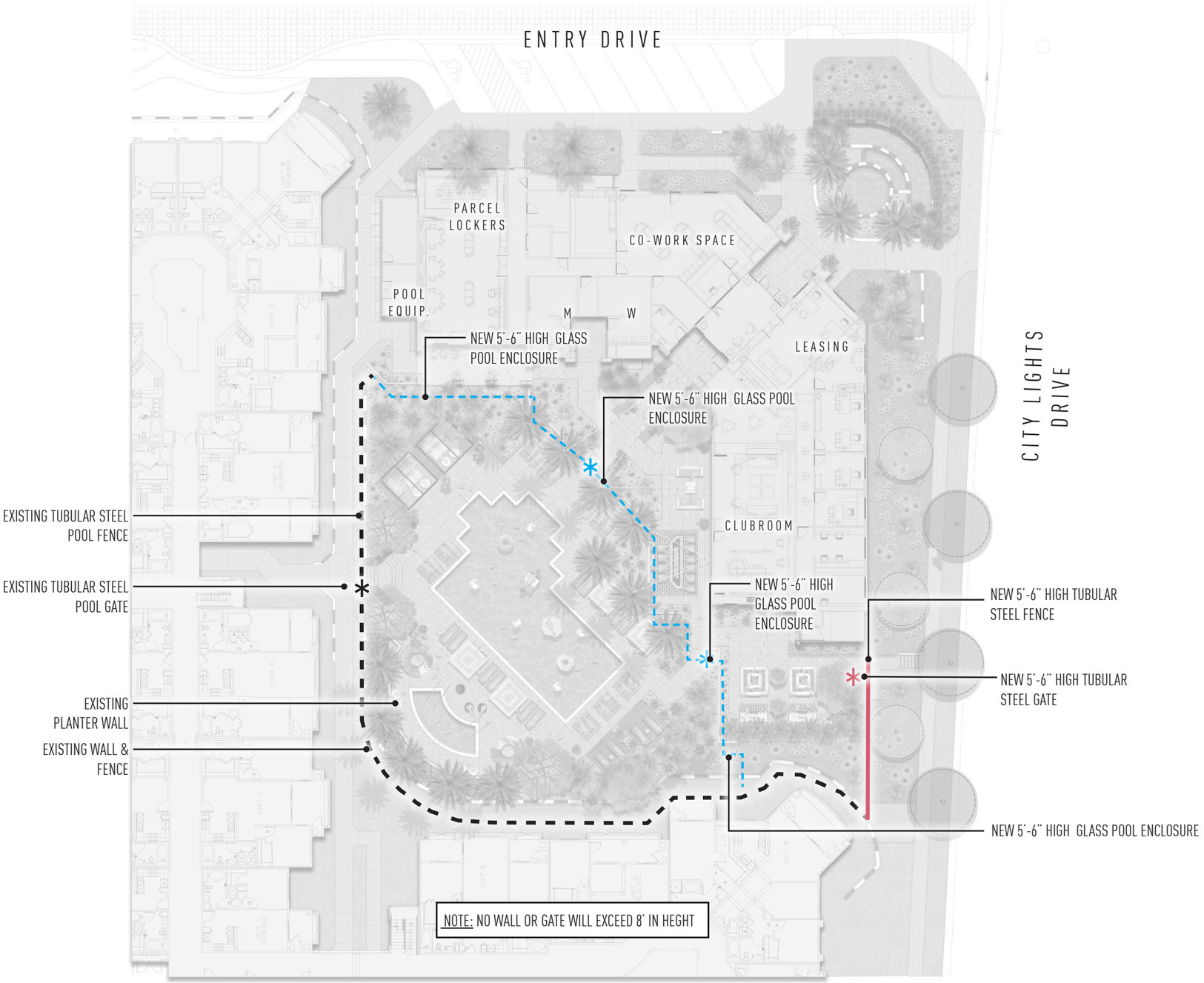
MJS LANDSCAPE ARCHITECTURE

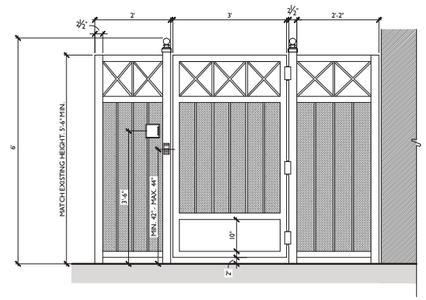
Shea Properties

AVCA SUBMITTAL
JULY 29, 2022

0' 4' 8' 16'

ROOFDECK ENLARGEMENT

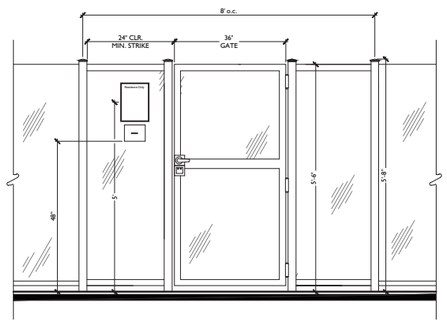




A TUBULAR STEEL GATE (DESIGN TO MATCH EXISTING POOL GATE)
5'-6" MIN. HIGH



COLOR: SW 7069
IRON ORE



B GLASS POOL ENCLOSURE GATE
5'-6" MIN. HIGH

CITY LIGHTS
ALISO VIEJO, CALIFORNIA
TCA # 2019-012

MJS LANDSCAPE ARCHITECTURE

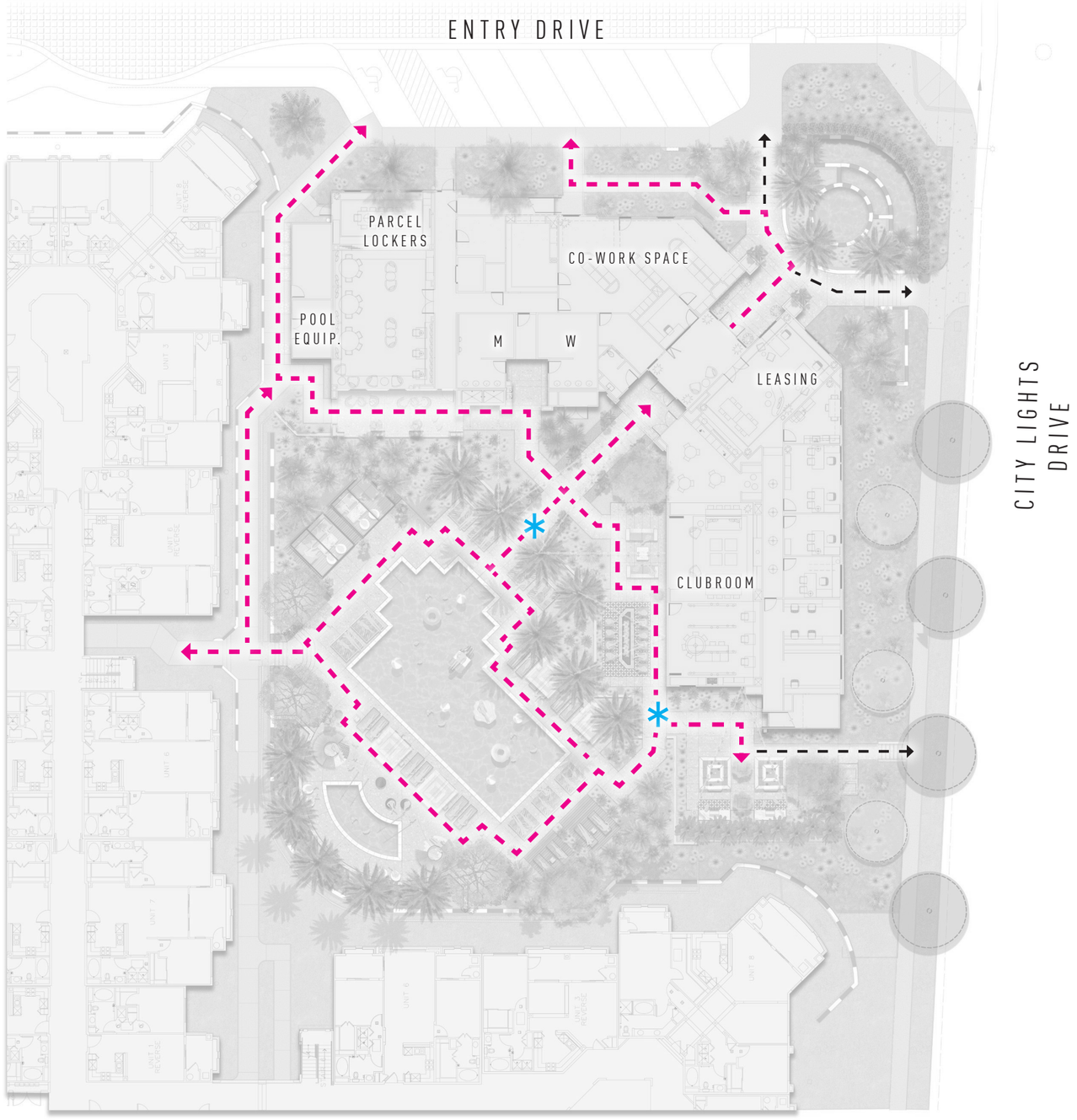
Shea Properties

AVCA SUBMITTAL
JULY 29, 2022

0' 8' 16' 32'

FENCE PLAN

L.3



LEGEND

- PEDESTRIAN GATE
- ACCESSIBLE PEDESTRIAN PATH OF TRAVEL
- EXIT TO R.O.W. (STEPS)

CITY LIGHTS
ALISO VIEJO, CALIFORNIA
TCA # 2019-012

MJS LANDSCAPE ARCHITECTURE

Shea Properties

AVCA SUBMITTAL
JULY 29, 2022

0' 8' 16' 32'

CIRCULATION PLAN

L.4



STEP TILES



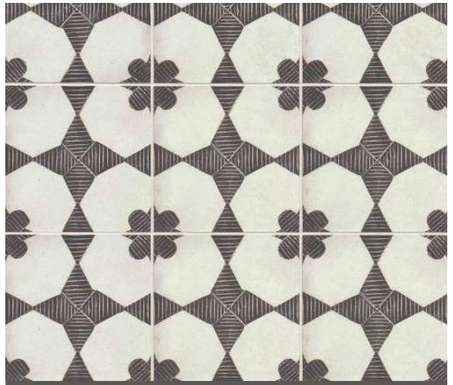
ZELLIGE BBQ VENEER



ZELLIGE BBQ VENEER

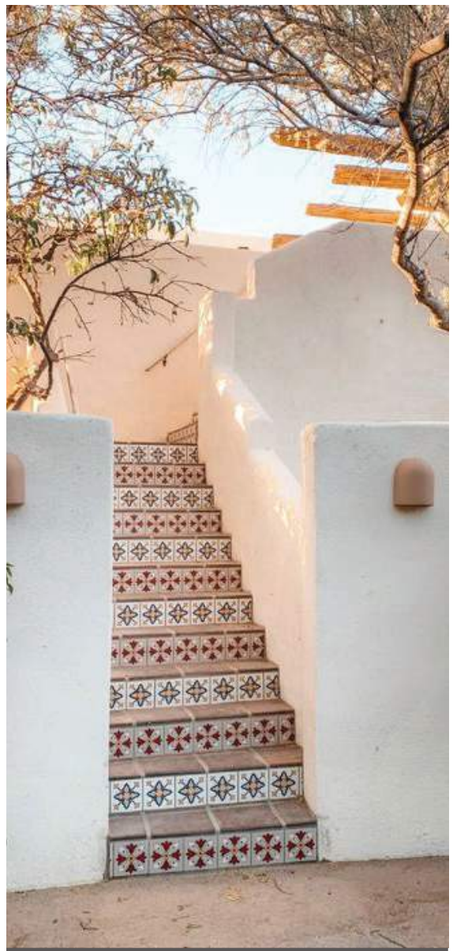


BBQ COUNTERTOP SLAB



PAVING - PORCELAIN DECO TILE

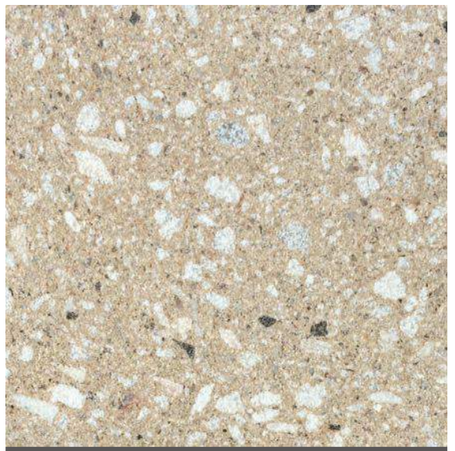
NOTE: REPRESENTATIVE OF MATERIALS TO BE USED. CHANGES MAY BE INCORPORATED DURING THE PERMITTING PROCESS



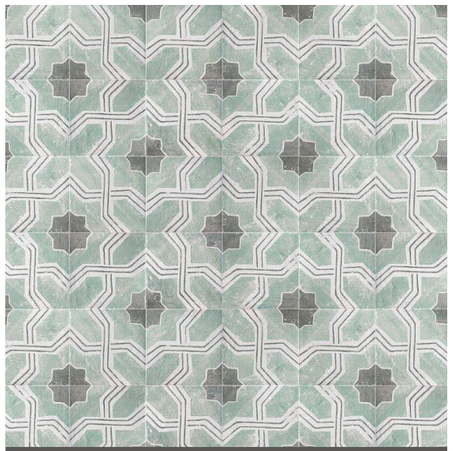
STEP TILES



DECORATIVE COBBLE



COLORED CONCRETE PAVING



PAVING - PORCELAIN DECO TILE



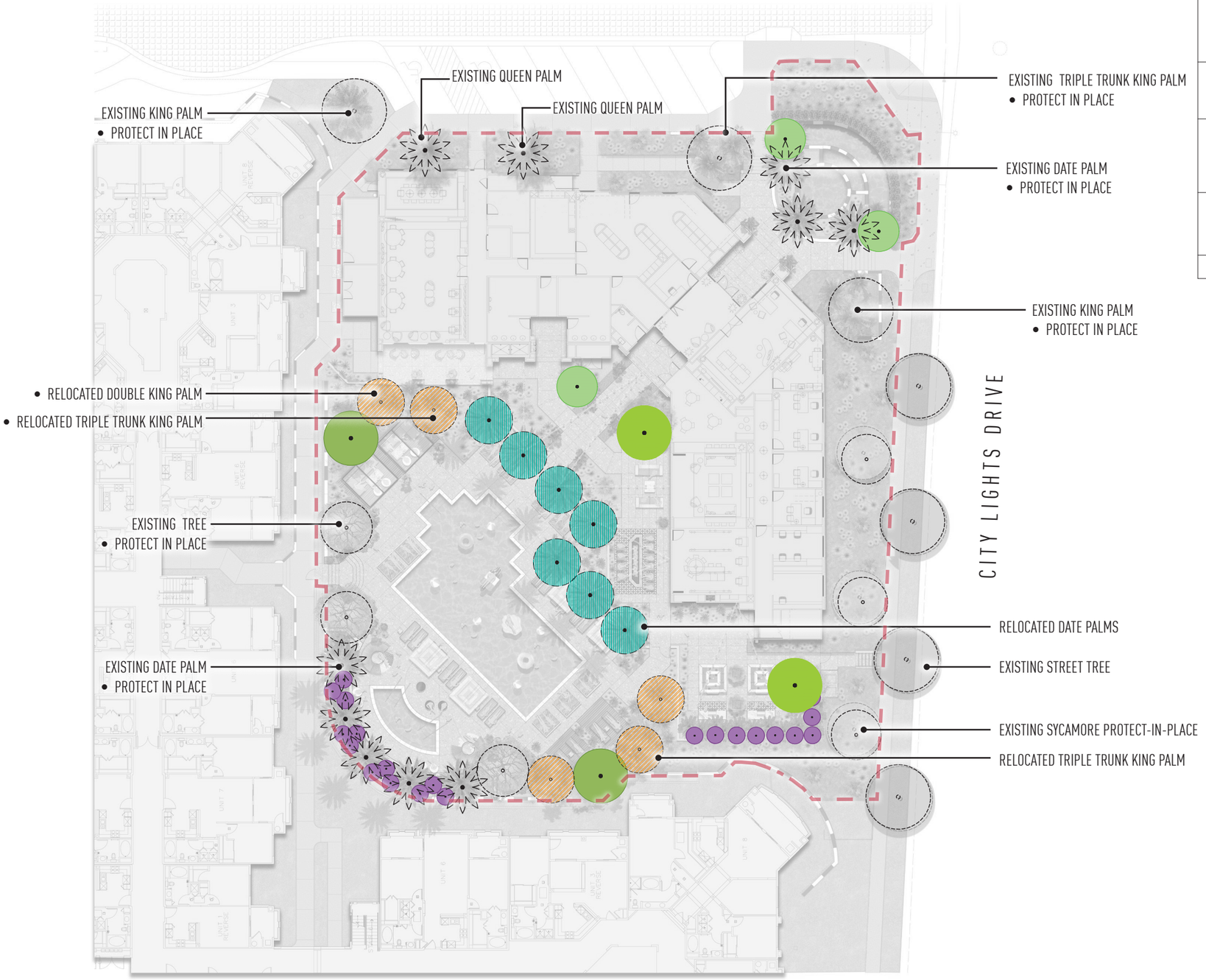
SYNTHETIC TURF



WATERLINE TILE



DECKING



TREE AND PALM LEGEND

TREES	BOTANICAL NAME	COMMON NAME	SIZE	QTY
	ARCHONTOPHOENIX CUNNINGHAMIANA	KING PALM MULTI-TRUNK	36"BOX	2
	DRACAENA MARGINATA	RED EDGED DRACAENA	36"BOX	3
	OLEA EUROPAEA 'SWAN HILL' TM	SWAN HILL OLIVE	48"BOX	2
	PHOENIX DACTYLIFERA 'MEDJOOL'	RELOCATED DATE PALM	TRANSPLANTED	7
	STRELITZIA NICOLAI	GIANT BIRD OF PARADISE	24"BOX	21

TREE HEIGHT NOTE:
ALL TREES TO BE MINIMUM OF 8' AT TIME OF PLANTING.

PROPOSED SHRUB LIST for COMMON AREAS

ALL PROPOSED SHRUBS will be COMPLIANT with CITY OF ALISO VIEJO LANDSCAPE STANDARDS and GUIDELINES, CAL GREEN REQUIREMENTS FOR WATER CONSERVING and NON-INVASIVE AS DEFINED BY IPC.

SHRUBS and GROUNDCOVER			
ACACIA COGNATA ' COUSIN ITT'	RIVER WATTLE	5 GAL	Mod.
AGAVE ATTENUATA 'NOVA'	NOVA AGAVE	15 GAL	Low
ALOE PLICATILIS	FAN ALOE	15 GAL	Low
ALOE STRIATA	CORAL ALUE	5 GAL	Low
ARBUTUS UNEDO 'COMPACTA'	DWARF STRAWBERRY TREE	5 GAL	Low
ASPARAGUS DENSIFLORUS 'MYERS'	MYERS ASPARAGUS	5 GAL	Mod.
BOUGAINVILLEA x 'ROSENKA'	BOUGAINVILEA	5 GAL	Low
CALAMAGROSTIS X A. 'KARL FOERSTER'	FEATHER REED GRASS	5 GAL	Mod.
CALLISTEMON CITRINUS 'LITTLE JOHN'	GREEN BEAUTY BOXWOOD	5 GAL	Low
CARISSA MACROCARPA 'GREEN CARPET'	GREEN CARPET NATAL PLUM	5 GAL	Mod.
CHONDROPETALUM TECTORUM	CAPE RUSH	5 GAL	Low
CRASSULA ARBORESCENS 'BLUE WAVES'	SILVER DOLLAR PLANT	5 GAL	Low
DIANELLA REVOLUTA 'LITTLE REV'	LITTLE REV DIANELLA	1 GAL	Mod.
DIANELLA TASMANICA 'VARIEGATA'	FLAX LILY	5 GAL	Mod.
ECHEVERIA X 'AFTERGLOW'	AFTERGLOW ECHEVERIA	1 GAL	Low
FESTUCA GLAUCA 'ELIJAH BLUE'	BLUE FESCUE	1 GAL	Low
GREVILLEA X 'NOELLII'	GREVILLEA	5 GAL	Low
HEMEROCALLIS X 'STARBURST'	EVERGREEN DAYLILY	5 GAL	Mod.
HESPERALOE PARVIFLORA	RED YUCCA	5 GAL	Low
JUNCUS PATENS	CALIFORNIA GRAY RUSH	1 GAL	Mod.
KNIPHOFIA UVARIA 'MALIBU YELLOW'	MALIBU YELLOW TORCH LILY	5 GAL	Low
LEUCADENDRON X 'SAFARI SUNSET'	CONEBUSH	15 GAL	Low
LIGUSTRUM TEXANUM (COLUMNS)	TEXAS PRIVET	15 GAL	Mod.
LOMANDRA LONGIFOLIA 'BREEZE'	DWARF MAT RUSH	1 GAL	Mod.
LOMANDRA L. 'PLATINUM BEAUTY'	PLATINUM BEAUTY LOMANDRA	5 GAL	Mod.
MAHONIA X 'SOFT CARESS'	SOFT CARESS MAHONIA	5 GAL	Mod.
MUHLENBERGIA CAPILLARIS 'REGAL MIST'	MUHLY GRASS	5 GAL	Low
OLEA EUROPAEA 'LITTLE OLLIE'	LITTLE OLLIE OLIVE	15 GAL	Low
PHILODENDRON SELLOUM	SPLIT LEAF PHILODENDRON	5 GAL	Mod.
PHILODENDRON X 'XANADU'	PHILODENDRON	5 GAL	Mod.
PITTOSPORUM TENUIFOLIUM 'SILVER SHEEN'	TAWHIWHI	15 GAL	Mod.
PITTOSPORUM TOBIRA 'WHEELER'S DWARF'	DWARF MOCK ORANGE	5 GAL	Low
RHAPHIOLEPIS INDICA	INDIAN HAWTHORN	5 GAL	Low
RHAMNUS CALIFORNICA 'EVE CASE'	COFFEEBERRY	5 GAL	Low
ROSA X 'RED CARPET'	CARPET ROSE	5 GAL	Mod.
ROSMARINUS OFFICINALIS 'PROSTRATUS'	DWARF ROSEMARY	5 GAL	Low
SENECIO M. 'BLUE CHALK STICKS'	SENECIO	1 GAL	Low
SESLERIA AUTUMNALIS	AUTUMN MOOR GRASS	1 GAL	Low
WESTRINGIA FRUTICOSA 'WYNABBIE GEM'	COAST WESTRINGIA	15 GAL	Low

CITY OF ALISO VIEJO NOTE:

1. TREES WILL BE A MINIMUM OF 8'-0" IN HEIGHT AT THE TIME OF PLANTING.
2. PLANT PALETTE TO BE CONSISTENT WITH AV MUNICIPAL CODE SECTION 15.16 DROUGHT TOLERANT PLANT MATERIAL. AT BUILDING PERMIT PLANTING PLAN TO BE SUBMITTED AND APPROVED BY THE DIRECTOR PRIOR TO APPROVAL.

IRRIGATION NOTE:

ALL PLANTED AREAS TO BE IRRIGATED WITH AN APPROVED AUTOMATIC UNDERGROUND DRIPPER IRRIGATION SYSTEM. THIS WATER CONSERVING IRRIGATION SYSTEM WILL NE DESIGNED TO MAKE EFFICIENT USE OF WATER THRU CONSERVATION TECHNIQUES, HIGH EFFICIENCY EQUIPMENT, PLANT HYDROZONES AND SHALL BE IN COMPLIANCE WITH THE CITY'S WATER CONSERVATION ORDINANCE.

UTILITY SCREENING NOTE:

ALL ABOVE-GROUND UTILITIES INCLUDING BACKFLOW DEVICES AND TRANSFORMERS WILL BE SCREENED WITH A DENSE PLANTING HEDGE TO MITIGATE VIEWS OF THE UTILITIES FROM THE PUBLIC REALM AS REQUIRED BY THE CITY OF VALLEJO ORDINANCE.

CITY LIGHTS
ALISO VIEJO, CALIFORNIA
TCA # 2019-012

MJS LANDSCAPE ARCHITECTURE

Shea Properties

AVCA SUBMITTAL
JULY 29, 2022

0' 8' 16' 32'

PRELIMINARY PLANTING PLAN

L.6



ARCHOTOPHOENIX CUNNINGHAMIANA
KING PALM (triple trunk)



DRACENA DRACO
DRAGON TREE



DRACAENA MARGINATA
MADAGASCAR DRAGON TREE



FICUS LYRATA
FIDDLE-LEAF FIG



HOWEA FORSTERIANA
KENTIA PALM



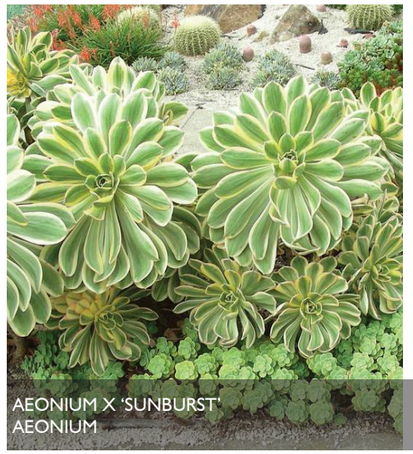
OLEA EUROPAEA 'SWAN HILL'
SWAN HILL OLIVE



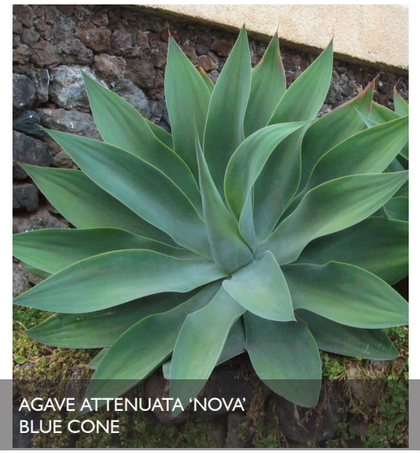
PHOENIX DACTYLIFERA
DATE PALM



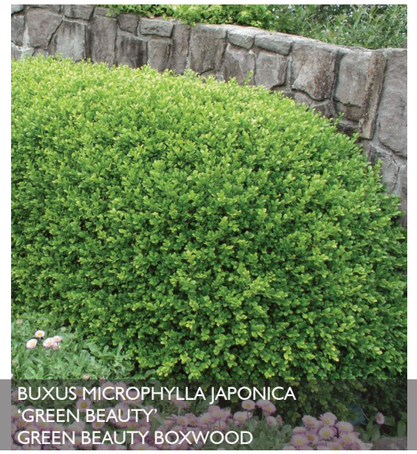
STRELITZIA NICOLAI
GIANT BIRD OF PARADISE



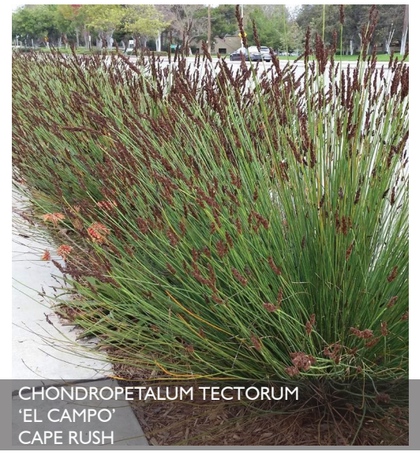
AEONIUM X 'SUNBURST'
AEONIUM



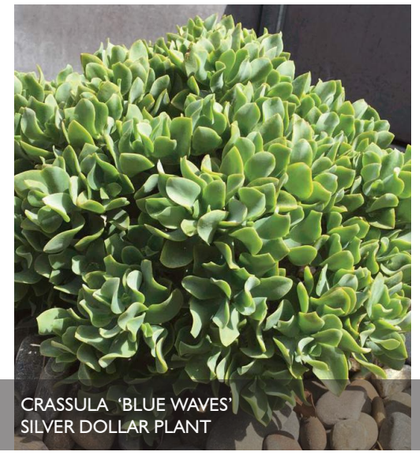
AGAVE ATTENUATA 'NOVA'
BLUE CONE



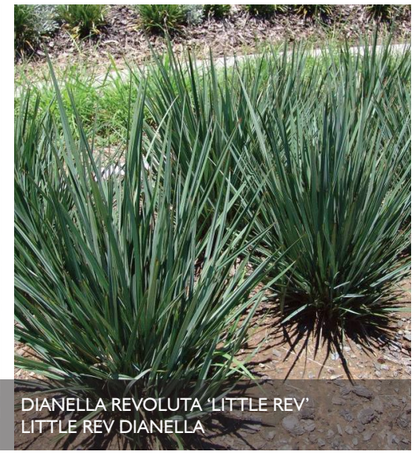
BUXUS MICROPHYLLA JAPONICA
'GREEN BEAUTY'
GREEN BEAUTY BOXWOOD



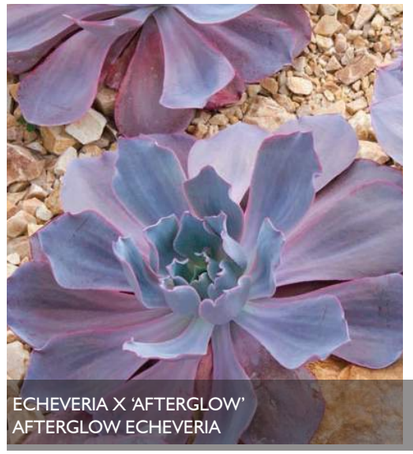
CHONDROPETALUM TECTORUM
'EL CAMPO'
CAPE RUSH



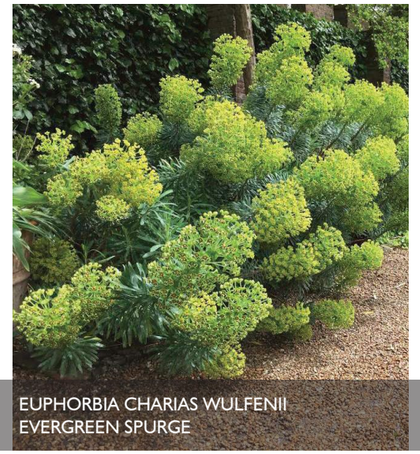
CRASSULA 'BLUE WAVES'
SILVER DOLLAR PLANT



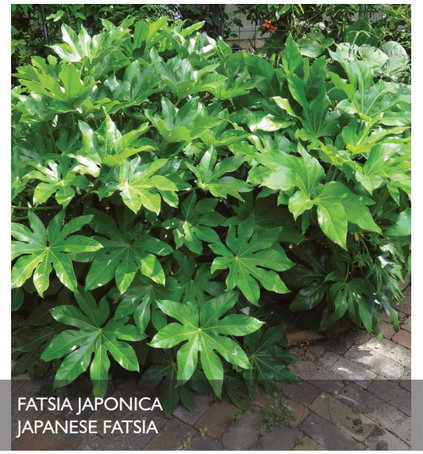
DIANELLA REVOLUTA 'LITTLE REV'
LITTLE REV DIANELLA



ECHEVERIA X 'AFTERGLOW'
AFTERGLOW ECHEVERIA



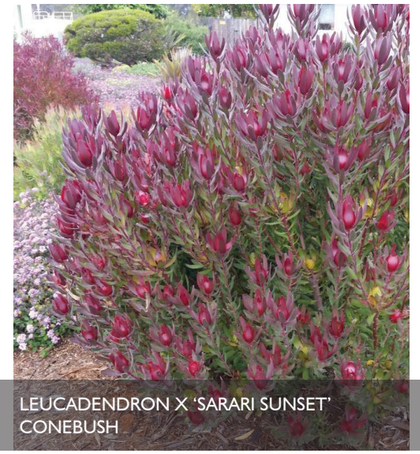
EUPHORBIA CHARIAS WULFENII
EVERGREEN SPURGE



FATSIA JAPONICA
JAPANESE FATSIA



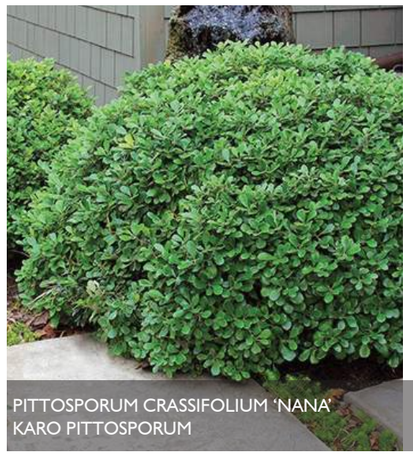
FURCRAEA FOETIDA 'MEDIOPICTA'
VARIEGATED MAURITIUS HEMP



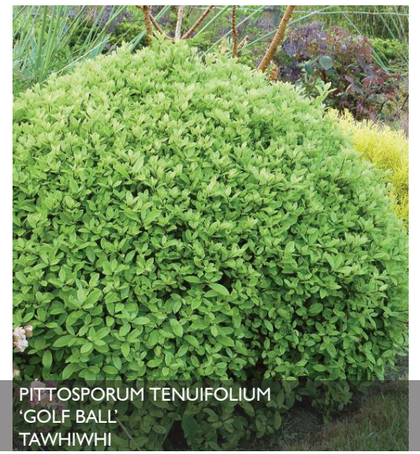
LEUCADENDRON X 'SARARI SUNSET'
CONEBUSH



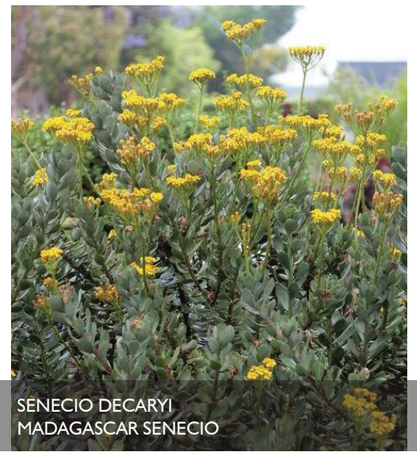
OLEA EUROPAEA 'LITTLE OLLIE'
LITTLE OLLIE OLIVE



PITTOSPORUM CRASSIFOLIUM 'NANA'
KARO PITTOSPORUM



PITTOSPORUM TENUIFOLIUM
'GOLF BALL'
TAWHIWHI



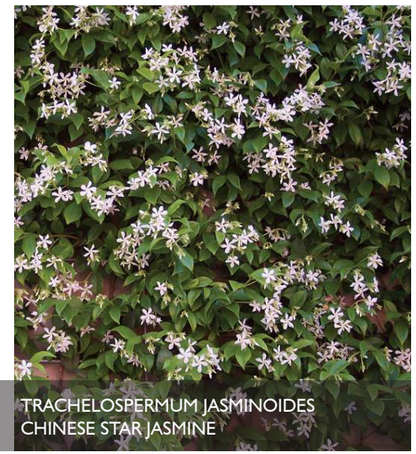
SENECIO DECARYI
MADAGASCAR SENECIO



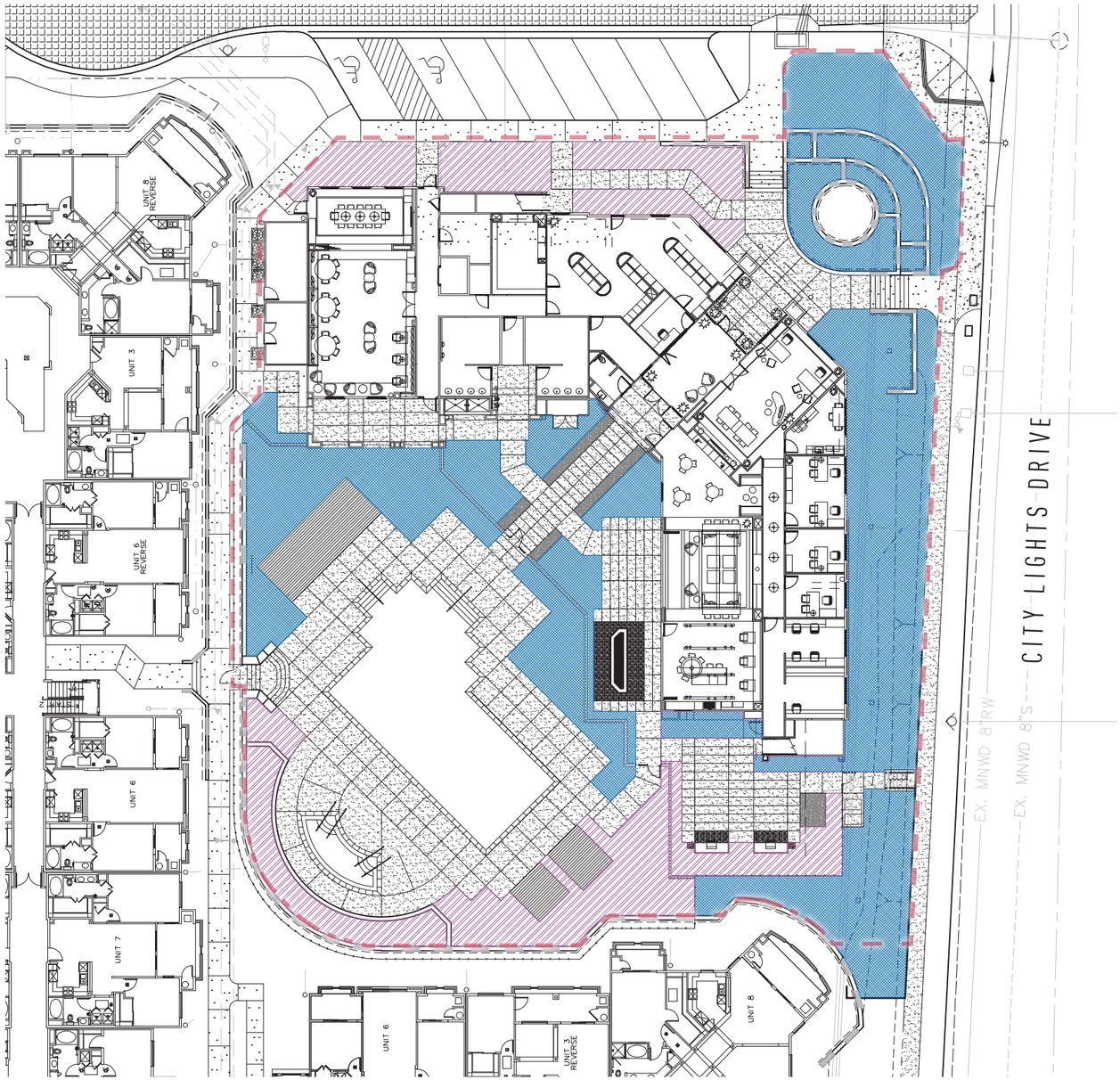
STRELITZIA REGINAE
BIRD OF PARADISE



TIBOUCHINA URVILLEANA
PRINCESS FLOWER



TRACHELOSPERMUM JASMINOIDES
CHINESE STAR JASMINE



WATER USE CALCULATIONS

TOTAL SITE AREA FOR LANDSCAPE REHABILITATION:	31, 426 SF
TOTAL PLANTING AREA:	10,471 SF
DROUGHT TOLERANT PLANTING (MIN. 50%) (classified wucols low)	7,396 SF (70%)
OTHER PLANTING AREAS (classified wucols moderate and low)	3,075 SF (30%)

CITY LIGHTS
ALISO VIEJO, CALIFORNIA
TCA # 2019-012

MJS LANDSCAPE ARCHITECTURE

Shea Properties

AVCA SUBMITTAL
JULY 29, 2022

0' 8' 16' 32'

PLANTING WATER USE EXHIBIT

L.9

MATCHLINE SEE BELOW



CITY OF ALISO VIEJO NOTES:

DURING THE FINAL BUILDING PERMIT PROCESS A FINAL LIGHTING PLAN SHALL BE PROVIDED IDENTIFYING THE TYPE, LOCATION AND HEIGHT OF PROPOSED LIGHTING FIXTURES, WITH AN ASSOCIATED PHOTOMETRIC ANALYSIS SHOWING LIGHTING ILLUMINATION LEVELS AND SPILL OVER. .

FINAL LIGHTING PLAN SHALL CONFORM TO THE PROVISIONS OF APPENDIX A OF ALISO VIEJO MUNICIPAL CODE AND SHALL BE REVIEWED AND APPROVED BY THE PLANNING DIRECTOR AND THE POLICE SERVICES DEPARTMENT PRIOR TO ISSUANCE OF A BUILDING PERMIT

I. ALL EXTERIOR COMMON AREA PEDESTRIAN WALKWAYS AND RECREATION AREAS SHALL BE ILLUMINATED WITH A MINIMUM MAINTAINED ONE-FOURTH FOOT-CANDLE OF LIGHT AND MAXIMUM OF TWO FOOT-CANDLE OF LIGHT AT GROUND LEVEL DURING THE HOURS OF DARKNESS.

II. OPEN STAIRWAYS AND ENCLOSED COMMON AREA CORRIDORS SHALL BE ILLUMINATED WITH A MINIMUM MAINTAINED ONE FOOT-CANDLE OF LIGHT ON ALL LANDINGS AND STAIR TREADS DURING THE HOURS OF DARKNESS. ENCLOSED STAIRWAYS SHALL BE ILLUMINATED AT ALL TIMES WITH A MINIMUM MAINTAINED ONE FOOT-CANDLE OF LIGHT ON ALL LANDINGS AND STAIR TREADS.

III. RECESSED AREAS OF BUILDING OR FENCES, WHICH HAVE A MINIMUM DEPTH OF TWO FEET, A MINIMUM HEIGHT OF FIVE FEET, AND DO NOT EXCEED SIX FEET IN WIDTH AND ARE CAPABLE OF HUMAN CONCEALMENT, SHALL BE ILLUMINATED WITH A MINIMUM MAINTAINED ONE-HALF FOOTCANDLES OF LIGHT AT GROUND LEVEL DURING THE HOURS OF DARKNESS. THIS REQUIREMENT APPLIES TO DEFINED RECESSED AREAS WHICH ARE WITHIN SIX FEET OF THE EDGE OF A DESIGNATED WALKING SURFACE WITH AN UNOBSTRUCTED PATHWAY TO IT, NOT HINDERED BY WALLS OR HEDGE ROW LANDSCAPING A MINIMUM OF TWO FEET IN HEIGHT. THE LIGHT SOURCE MAY BE MOTION DETECTORS USING A PHOTOCELL DEVICE.

IV. ACCESSIBLE LUMINAIRES UTILIZED TO MEET THE REQUIREMENTS OF THIS SECTION SHALL HAVE VANDAL RESISTANT LIGHT FIXTURES AND BE NOT LESS THAN THREE FEET IN HEIGHT FROM THE WALKING SURFACE WHEN USED TO ILLUMINATE WALKWAYS AND A MINIMUM OF 78 INCHES IN HEIGHT ABOVE THE DRIVING SURFACE WHEN ILLUMINATING SURFACES ASSOCIATED WITH VEHICLES. LIGHT FIXTURES SHALL BE DEEMED ACCESSIBLE IF MOUNTED WITHIN 15 FEET VERTICALLY OR SIX FEET HORIZONTALLY FROM ANY ACCESSIBLE SURFACE OR ANY ADJOINING ROOF, BALCONY, LANDING, STAIR TREAD, PLATFORM OR SIMILAR STRUCTURE.

V. THE LIGHT SOURCE SHALL BE CONTROLLED BY A PHOTOCELL DEVICE OR A TIME CLOCK WITH AN ASTRONOMIC FEATURE.

EXTERIOR LIGHTING LEGEND

SYMBOL	TYPE/TECHNIQUE:	LOCATION:
	BOLLARD	PEDESTRIAN WALKWAYS/POOL DECK
	BULLET SPOT UPLIGHT	ACCENT TREES/PALMS
	OVERHEAD FESTIVAL LIGHTING	ATTACHED TO BUILDING and DATE PALM. MINIMUM 12' ABOVE FINISH SURFACE
	BUILDING MOUNTED SCONCE	FINAL LOCATIONS TO BE SELECTED BY ARCHITECT
	CEILING LIGHT	POOL CABANAS / ARCHITECTURE. FIXTURE WILL NOT PRODUCE OFF-SITE GLARE
	CABANA MOUNTED SCONCE	POOL CABANA
	WALL MOUNTED LOUVER LIGHT	STEPS

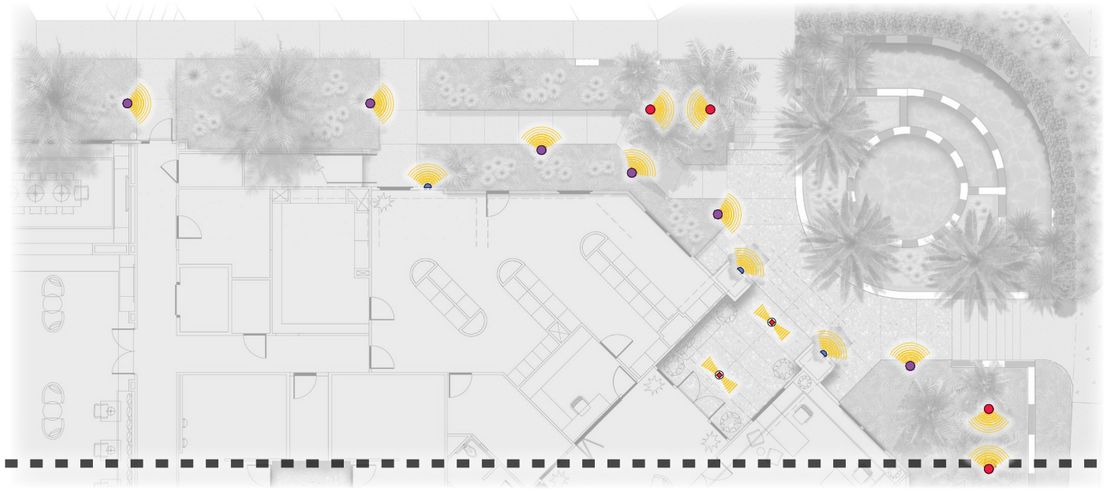
LIGHTING CONCEPT:

THE OUTDOOR LIGHTING CONCEPT IS TO PROVIDE LEVELS OF LIGHTING SUFFICIENT TO MEET SAFETY AND ORIENTATION NEEDS.

WITHIN PUBLIC AREAS LIGHTING WILL BE WARM COLORED AND UNOBTRUSIVE. LIGHT SOURCES WILL BE TUNGSTEN OR METAL HALIDE.

LIGHTING SOURCES FOR THE LANDSCAPE AND PAVED AREAS WILL BE CONCEALED AND THE LIGHTING INDIRECT NOT VISIBLE FROM A PUBLIC VIEWPOINT. LIGHT SOURCES SHOULD BE DIRECTED SO THAT IT DOES NOT FALL OUTSIDE THE AREA TO BE LIGHTED.

ALL EXTERIOR SURFACE AND ABOVE-GROUND MOUNTED FIXTURES WILL BE SYMPATHETIC AND COMPLIMENTARY TO THE ARCHITECTURAL THEME.



MATCHLINE SEE ABOVE

CITY LIGHTS
ALISO VIEJO, CALIFORNIA
TCA # 2019-012

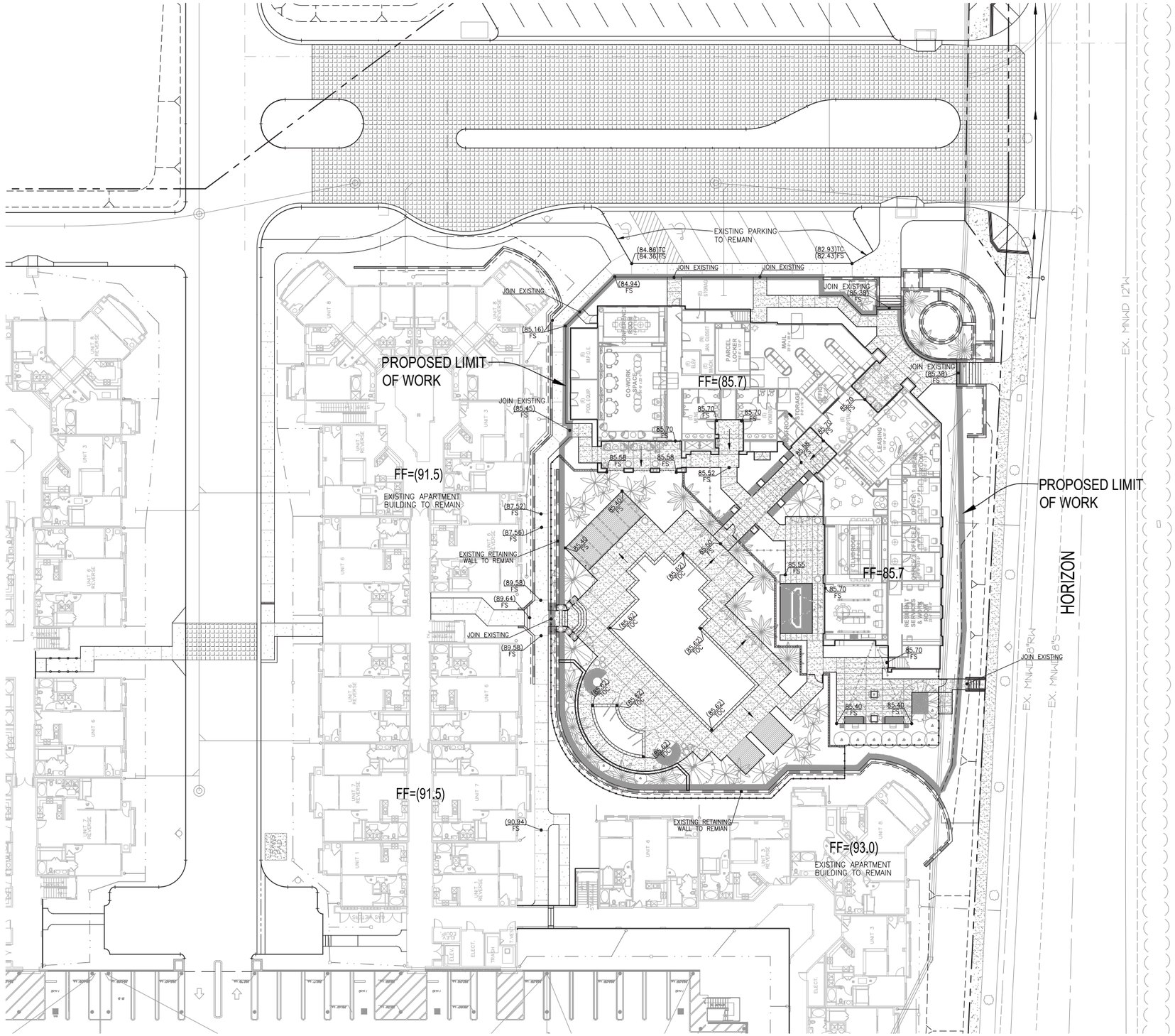
MJS LANDSCAPE ARCHITECTURE

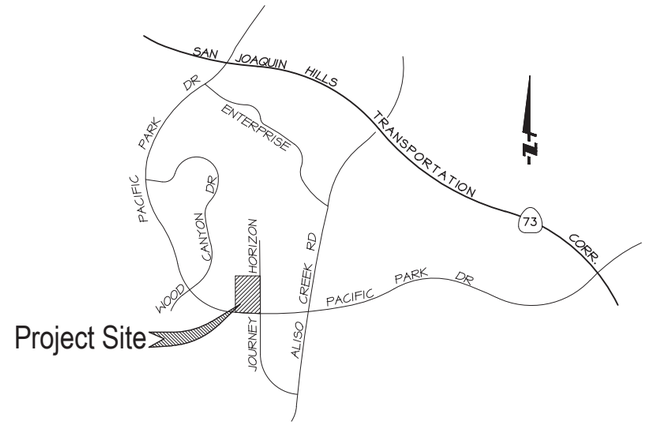
Shea Properties

AVCA SUBMITTAL
JULY 29, 2022

0' 8' 16' 32'

PRELIMINARY LIGHTING PLAN





VICINITY MAP
NTS

NOTES:

1. EXISTING ACCESSIBLE PARKING AND ADA PATH-OF-TRAVEL TO REMAIN.
2. EXISTING SEWER AND WATER CONNECTIONS TO REMAIN.
3. POOL DECK AND PATIO FLATWORK TO BE REDONE.

20' 0' 10' 20'
SCALE: 1" = 20'

CITY LIGHTS
ALISO VIEJO, CA

TCA ARCHITECTS

SHEA PROPERTIES
TCA# 2019-012

SITE DEVELOPMENT PERMIT
2-16-2022

PREPARED BY:
FUSCOE ENGINEERING
16795 Von Karman, Suite 100, Irvine, California 92606
tel 949.474.1960 • fax 949.474.5315 • www.fuscoe.com

Conceptual Grading
City Lights 26841 Horizon Aliso Viejo, CA.
April 22, 2022

C-1.0

ALISO VIEJO

City Lights at Town Center

5000 City Lights Drive

January 18, 2023

Project Description

- Site Development Permit
  - Exterior site improvements to the common amenities area
    - Two-story club house
    - Pool
    - Hardscape/landscape
  - Demolish guard tower at entry/exit and replace with landscaped island

Project Location



Existing Conditions



Proposed Project Renderings









Staff Recommendations

1. Find that the request is exempt from the California Environmental Quality Act pursuant to State CEQA (California Environmental Quality Act) Guidelines Section 15301 (Existing Facilities); and

2. Adopt a Resolution approving a Site Development Permit (SDP) to remodel the two-story clubhouse building, pool, landscape, and hardscape including American with Disability Act (ADA) compliant upgrades and demolish the guard tower at 5000 City Lights Drive (PA22-006 & SDP-2022-00002).

City of Aliso Viejo
AGENDA ITEM

DATE: January 18, 2023

TO: Mayor and City Council

FROM: So Kim, Community Development Director
John Kanlund, Contract Planner

SUBJECT: CONDITIONAL USE PERMIT AND SITE DEVELOPMENT PERMIT TO ESTABLISH A NEW RESTAURANT SERVING FULL ALCOHOL AT 26611 ALISO CREEK ROAD, SUITE A

Recommended Action:

Open and continue the public hearing to a date uncertain.

Discussion:

In May 2021, the City issued a stop work order for unpermitted work at 26611 Aliso Creek Road, Suite A (formerly Panini Kabob Grill). In September 2021, the applicant submitted a planning application, requesting approval for the unpermitted work to establish a new restaurant with full alcohol service (Fennel Mediterranean Kitchen and Bar).

The applicant was not able to provide all necessary items to be considered at tonight's meeting. Therefore, Staff is recommending that this application be continued to a date uncertain.