

AGENDA

ALISO VIEJO CITY COUNCIL
WEDNESDAY, MAY 17, 2023
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

WELCOME to the City of Aliso Viejo City Council meeting. Those persons wishing to address the City Council are requested to complete and submit to the City Clerk a "Request to Address City Council" form available at the entrance to the City Council Chambers. Speakers will be called at the appropriate time as their interested matter is heard. COMMENTS WILL BE LIMITED TO THREE MINUTES PER SPEAKER. Council proceedings are recorded.

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
CITY MANAGER

SCOTT C. SMITH
CITY ATTORNEY

MITZI ORTIZ
CITY CLERK

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

CALL TO ORDER: CONVENE REGULAR MEETING

ROLL CALL

PLEDGE OF ALLEGIANCE:

1. SPECIAL PRESENTATIONS:

1.1. BUSINESS OF THE MONTH - 30 MINUTE HIT

[Certificate of Recognition](#)

1.2. PROCLAMATION - ASIAN AMERICAN PACIFIC ISLANDER HERITAGE MONTH

[Proclamation](#)

2. ADDITIONS, DELETIONS, REORDERING TO THE AGENDA:

3. COMMUNITY INPUT:

Members of the public wishing to address the City Council are requested to complete and submit to the City Clerk a "Request to Address City Council" form available at the entrance to the City Council Chambers. 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. Comments are limited to three (3) minutes per speaker.

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. APPROVAL OF MINUTES

Recommended Action: Approve the Minutes as submitted for the May 3, 2023 Special Meeting and the May 3, 2023 Regular Meeting.

[Draft Minutes - May 3, 2023 Special Meeting](#)

[Draft Minutes - May 3, 2023 Regular Meeting](#)

5. PUBLIC HEARINGS:

5.1. FOURTH PUBLIC HEARING TO CONSIDER COMPOSITION OF DISTRICTS FOR BY-DISTRICT ELECTIONS

Recommended Action:

1. Conduct fourth public hearing, receive and consider input from the public, provide further direction to staff; and
2. Introduce an Ordinance entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, ADDING SECTION 1.12.020 TO CHAPTER 1 OF TITLE 1 OF THE ALISO VIEJO MUNICIPAL CODE ESTABLISHING BY-DISTRICT ELECTIONS, DEFINING DISTRICT BOUNDARIES, AND SCHEDULING ELECTIONS WITHIN THE DISTRICTS.

[Agenda Report](#)

[Attachment 1 - Ordinance](#)

[Attachment 2 - Draft Maps](#)

[Attachment 3 - Presentation](#)

6. DISCUSSION:

6.1. LOCAL HAZARD MITIGATION PLAN PRESENTATION

Recommended Action: Receive and file.

[Staff Report](#)

[Attachment 1 - Presentation](#)

6.2. DRAFT ANNUAL BUDGET FOR FISCAL YEAR 2023-24

Recommended Action:

1. Review the draft FY 2023-24 Annual Budget; and
2. Provide any additional direction to staff regarding the draft FY 2023-24 Budget.

[Staff Report](#)

[Attachment 1 - Government Wide Resources and Appropriations](#)

[Attachment 2 - General Fund Resources and Appropriations](#)

[Attachment 3 - Capital Improvement Plan](#)

[Attachment 4 - Draft Budget Presentation](#)

7. CITY MANAGER' S REPORT:

8. **ANNOUNCEMENTS / COUNCIL COMMENTS / COMMITTEE UPDATES:**

9. **ADJOURNMENT:**

The next regularly scheduled City Council meeting is June 7, 2023.



Certificate of Recognition

Presented to

30 MINUTE HIT

**Aliso Viejo
Business of the Month
May 2023**

Presented this 17th day of May, 2023

Richard Hurt, Mayor





Proclamation

Asian American Pacific Islander Heritage Month May 2023

WHEREAS, the month of May was chosen as Asian Pacific American Heritage Month to commemorate the immigration of the first Japanese citizen, Nakahama Manjiro, to the United States on May 7, 1843, but also the anniversary of the May 10, 1869 completion of the first Transcontinental Railroad, built with the back-breaking labor of nearing 20,000 Chinese immigrants; and

WHEREAS, the history of Asian Americans and Pacific Islanders is filled with stories of resilience, persistence, and determination; and

WHEREAS, today more than 20 million Asian Americans and Pacific Islanders live in the United States and through their actions, make America a more vibrant, prosperous, and secure nation; and

WHEREAS, as we celebrate the achievements and contributions of Asian Americans and Pacific Islanders that enrich our history, society, and culture, we must also acknowledge a darker aspect of the AAPI experience, which includes structural discrimination, prejudice, and injustice; and

WHEREAS, we value Asian American and Pacific Islander residents as an integral part of the fabric of our community and will remain a welcoming place where all have an opportunity to thrive.

NOW, THEREFORE, BE IT RESOLVED, that the Aliso Viejo City Council does hereby proclaim May 2023 as **Asian American Pacific Islander Heritage Month** in the City of Aliso Viejo and encourages all residents to commemorate this important occasion.

Dated this 17th day of May, 2023

Richard Hurt, Mayor



CITY OF ALISO VIEJO
CITY COUNCIL MINUTES
SPECIAL MEETING
May 3, 2023, 6:30 P.M.
Council Chambers, City Hall, 12 Journey
Aliso Viejo, California

CALL TO ORDER: Mayor Hurt called the Special Meeting of the City Council of the City of Aliso Viejo to order at 6:30 p.m.

ROLL CALL:

PRESENT: MAYOR RICHARD W. HURT
MAYOR PRO TEM MIKE MUNZING
COUNCILMEMBER TIFFANY ACKLEY
COUNCILMEMBER ROSS CHUN
COUNCILMEMBER MAX DUNCAN

ABSENT: NONE

STAFF PRESENT: DAVID A. DOYLE, CITY MANAGER
SCOTT C. SMITH, CITY ATTORNEY

PUBLIC COMMENTS:

None.

CLOSED SESSION:

CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION
Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4)
Number of Potential Cases: 1

CONFERENCE WITH LABOR NEGOTIATORS
Pursuant to Government Code Section 54957.6
Agency Designated Representatives: City Manager and City Attorney
Unrepresented Employees: All Employees

REPORT FROM CLOSED SESSION:

City Attorney Scott Smith stated no reportable action was taken.

ADJOURNMENT: Mayor Hurt adjourned the meeting at 7:01 p.m. to the May 3, 2023 Regular Council Meeting.

Respectfully submitted:

Approved by:

MITZI ORTIZ, MMC
CITY CLERK

RICHARD HURT
MAYOR

DRAFT

CITY OF ALISO VIEJO
CITY COUNCIL MINUTES
REGULAR MEETING
MAY 3, 2023, 7:00 P.M.
Council Chambers, City Hall, 12 Journey
Aliso Viejo, California

CALL TO ORDER: Mayor Hurt called the Regular Meeting of the City Council of the City of Aliso Viejo to order at 7:05 p.m.

ROLL CALL

PRESENT: MAYOR RICHARD W. HURT
MAYOR PRO TEM MIKE MUNZING
COUNCILMEMBER TIFFANY ACKLEY
COUNCILMEMBER ROSS CHUN
COUNCILMEMBER MAX DUNCAN

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. ALAN VILLANUEVA, CHIEF OF POLICE SERVICES

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

REPORT FROM CLOSED SESSION:

City Attorney Scott Smith stated there was no reportable action.

1. SPECIAL PRESENTATIONS:

1.1. PROCLAMATION - DROWNING PREVENTION AWARENESS MONTH

Mayor Hurt presented the proclamation to OCFA Division Chief Baryic Hunter. Chief Hunter expressed his appreciation and commented on the importance of the designation.

2. **ADDITIONS, DELETIONS, REORDERING TO THE AGENDA:**

None.

3. **COMMUNITY INPUT:**

1. Julie Colombero commented on Aliso Viejo Town Center revitalization efforts and proposed apartment complex in The Commons.

4. **CONSENT CALENDAR:**

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

Motion: Mayor Pro Tem Munzing moved and Councilmember Duncan 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 April 19, 2023 Special Meeting and the April 19, 2023 Regular Meeting.

4.3. **ACCOUNTS PAYABLE**

Recommended Action:

1. Ratify an electronic funds transfer in the amount of \$2,672.11 on April 10, 2023; and
2. Ratify accounts payable checks and electronic funds transfers issued between April 14 and April 27, 2023, in the amount of \$203,267.97.

4.4. **TREASURER'S STATEMENT – MARCH 2023**

Recommended Action: Receive and file the March 2023 Treasurer's Statement

4.5. **AGREEMENT WITH DAVIS FARR, LLP, FOR PROFESSIONAL AUDITING SERVICES**

Recommended Action:

1. Approve a three-year agreement with Davis Farr, LLP, for professional auditing services; and
2. Authorize the City Manager to execute a three-year professional services agreement with Davis Farr, LLP, in the amount not-to-exceed \$129,000.

4.6. FOURTH AMENDMENT TO AGREEMENT WITH BEST BEST & KRIEGER FOR CITY ATTORNEY SERVICES

Recommended Action:

1. Approve the Fourth Amendment to Agreement with Best Best & Krieger for City Attorney services; and
2. Authorize the City Manager to execute the Fourth Amendment to Agreement with Best Best & Krieger.

5. **PUBLIC HEARINGS:**

5.1. THIRD PUBLIC HEARING TO CONSIDER COMPOSITION OF DISTRICTS FOR BY-DISTRICT ELECTIONS

City Attorney Scott Smith introduced Center for Demographic Research Director Deborah Diep, who provided an overview, who provided an overview. Staff responded to questions regarding district boundaries, district numbers, sequencing of elections, and option for directly elected mayor. Mayor Hurt opened the public hearing and the following persons provided comment:

1. Julie Colombero expressed support for proposed district map numbers 1 and 5.
2. Nancy Conley asked for clarification on council residency and district numbers.

There were no other speakers. Councilmembers commented on the matter. Mayor Hurt closed the public hearing.

Recommended Action: Conduct third public hearing, receive and consider input from the public, provide further direction to staff.

Motion: Mayor Pro Tem Munzing moved and Councilmember Duncan seconded to conduct the third public hearing, receive and consider input from the public, direct staff to eliminate proposed maps numbers 2-4 and renumber the districts in proposed map number 5. Motion carried 5-0.

6. **DISCUSSION:**

None.

7. **CITY MANAGER' S REPORT:**

City Manager David Doyle announced Mobile Library to be held on May 4, 2023, from 2:30 p.m. to 4:00 p.m. at Iglesia Park Community Center; registration for summer recreation programs and Summer Camp programs; operation statistics for the Aliso Viejo Ranch.

8. ANNOUNCEMENTS / COUNCIL COMMENTS / COMMITTEE UPDATES:

Councilmember Chun:

- Attended The Recovered Life of Paul Williams performance and private reception
- Attended OCFA Human Resources Committee Meeting
- Attended Crystal Apple Awards ceremony
- Attended Taste of Aliso Niguel event

Councilmember Duncan:

- Attended Taste of Aliso Niguel event
- Attended Chamber of Commerce Evening with the Mayor event
- Attended JamFest & Summer Camp Expo
- Commented on Aliso Viejo Town Center revitalization and requested study session

Councilmember Ackley:

- Attended La Paz Intermediate School International Festival
- Encouraged residents to attend Soka Arts, Music & Food Festival
- Attended JamFest & Summer Camp Expo

Mayor Pro Tem Munzing:

- Attended Taste of Aliso Niguel event
- Attended Chamber of Commerce Evening with the Mayor event
- Attended JamFest & Summer Camp Expo
- Encouraged residents to attend Soka Arts, Music & Food Festival

Mayor Hurt:

- Expressed appreciation to colleagues
- Attended JamFest & Summer Camp Expo

9. ADJOURNMENT: Mayor Hurt adjourned the meeting at 8:37 p.m. to the regularly scheduled meeting of May 17, 2023

Respectfully submitted:

Approved by:

MITZI ORTIZ, MMC
CITY CLERK

RICHARD HURT
MAYOR

City of Aliso Viejo

AGENDA ITEM



DATE: May 17, 2023

TO: Mayor and City Council

FROM: Scott C. Smith, City Attorney
Mitzi Ortiz, City Clerk

SUBJECT: FOURTH PUBLIC HEARING TO CONSIDER COMPOSITION OF DISTRICTS FOR BY-DISTRICT ELECTIONS

Recommended Actions:

1. Conduct fourth public hearing, receive and consider input from the public, provide further direction to staff; and
2. Introduce an Ordinance entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, ADDING SECTION 1.12.020 TO CHAPTER 1 OF TITLE 1 OF THE ALISO VIEJO MUNICIPAL CODE ESTABLISHING BY-DISTRICT ELECTIONS, DEFINING DISTRICT BOUNDARIES, AND SCHEDULING ELECTIONS WITHIN THE DISTRICTS.

Fiscal Impact:

The cost of the transition to districts is estimated to be \$70,000. If the City decides not to move forward with the transition to by-district elections and a CVRA lawsuit is filed against the City, the financial impact could be exponentially greater.

Background:

The City of Aliso Viejo currently elects its five-member City Council through an “at-large” election system in which each Councilmember may reside anywhere in the City, and each member is elected by voters Citywide to provide Citywide representation. This is in contrast to a “by-district” election system where the City is divided into geographical districts, each Council candidate must reside in the district they will represent, and only voters within a given district vote for that district’s Councilmember.

On January 31, 2023, the City received a letter from Kevin Shenkman of Shenkman & Hughes on behalf of the Southwest Voter Registration Education Project and its Aliso Viejo members. The letter claims the City’s at-large voting system dilutes the ability of Latino voters to elect candidates of their choice or to otherwise influence the outcome of City elections. As a result, Mr. Shenkman claims, the City’s at-large elections violate the California Voting Rights Act (“CVRA”). This letter must be sent as a prerequisite to any lawsuit claiming CVRA violations.

In response to Mr. Shenkman's claim, the City Council adopted a Resolution of Intention to transition to by-district elections at its meeting of March 15, 2023. The City Council held the first of four required public hearings on April 5, 2023, the second on April 19, 2023, and the third on May 3, 2023.

Discussion:

Before adopting district-based elections, the City must first prepare a draft map or maps. The City's map drawing process began following the initial two public hearings. The City Council defined the criteria used to create one or more proposed district maps, and staff will present the draft map or maps for public comment and review in two subsequent public hearings. The final third and fourth public hearings must be held within 45 days of each other.

The public was provided with an opportunity to submit maps as well, prior to an April 20, 2023, deadline. The proposed maps must be provided for the public's review at least seven days prior to the third and fourth public hearings. The third public hearing and first after maps were drawn was held on May 3, 2023; maps were posted on April 26, 2023. The fourth public hearing and second after maps were drawn is at the May 17, 2023, City Council meeting. As such, the draft maps for Council's consideration at this public hearing were posted on the City's website on May 9, 2023, in accordance with state law.

Draft Maps

The City's demographic consultant, the Center for Demographic Research, prepared two maps for the Council's consideration, and three maps were received from members of the public. At the third public hearing, the City Council directed staff to eliminate Maps 2, 3 and 4 from further consideration and requested the District labels in Map 5 be renumbered. It now appears as Map 5A. There are no changes to the boundaries between Map 5 and Map 5A.

Each of the draft maps was analyzed and reviewed by the Center for Demographic Research and found to be viable. This means the maps create potential Council districts that are population-balanced within a percent spread of 10% between the smallest and largest proposed districts, are contiguous, compact, and respect communities of interest. A summary of the population deviation may be found below:

Proposal	Percent Spread	Viable?
Plan 1	9.75%	Yes
Plan 2	8.25%	Yes
Plan 3	4.01%	Yes
Plan 4	5.23%	Yes
Plan 5	7.09%	Yes
Plan 5A	7.09%	Yes

Images of Maps 1 and 5A, with accompanying demographic analysis and population breakdown, is attached to this report (Attachment 2).

During this public hearing, the Council will need to select its preferred map, and determine the “sequencing” of the elections. This means that the Council will need to decide which districts will have elections on which dates. Council may consider the terms of the existing Council members when selecting the sequencing of the district elections. At the conclusion of Council’s deliberations, it would be appropriate to introduce the Ordinance enacting the district map and establishing district-based elections. If introduced at the conclusion of the public hearing, the Ordinance will receive a second reading and considered for adoption on June 7, 2023.

All hearings will be held in the City Hall – Council Chamber, 12 Journey, Suite 100, Aliso Viejo, California.

To increase public awareness of the transition to district elections, the City has used a variety of public communication channels to engage members of the community. Districting information will continue to be featured on the City’s website at the following web address: www.avcity.org/districting. In addition, the City’s website was populated with information about how the public can participate and also provides answers to frequently asked district questions. The public is also encouraged to provide input via email to districting@avcity.org, to drop it off at City Hall, or mail it to the City Clerk.

City Attorney:

This report was drafted and submitted by the City Attorney and City Clerk.

Attachments:

1. Ordinance
2. Draft Maps
3. PowerPoint

ORDINANCE NO. 2023-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, ADDING SECTION 1.12.020 TO CHAPTER 1 OF TITLE 1 OF THE ALISO VIEJO MUNICIPAL CODE ESTABLISHING BY-DISTRICT ELECTIONS, DEFINING DISTRICT BOUNDARIES, AND SCHEDULING ELECTIONS WITHIN THE DISTRICTS

THE CITY COUNCIL OF THE CITY OF ALISO VIEJO DOES ORDAIN AS FOLLOWS:

Section 1. Recitals

A. The City of Aliso Viejo currently elects five Councilmembers using an at-large election system.

B. The City Council has determined that it is in the best interest of the City to shift from its current at large election system to a by-district election system.

C. On January 31, 2023, the City received a letter challenging the City's current election system and asserting that the City's at-large election system violates the California Voting Rights Act (CVRA).

D. On March 15, 2023, the City Council adopted Resolution No. 2023-09, a resolution declaring the City's intention to transition from at-large to district-based elections pursuant to Elections Code Section 10010.

E. California Government Code section 34886 permits the City Council to change the City's method of election by ordinance, with certain formalities, to a "by-district" system in which each Councilmember is elected only by the voters in the district in which the candidate resides.

F. Pursuant to California Government Code section 34886, it is declared that the purpose of the change in the method of electing members of the City Council of the City of Aliso Viejo made by this Ordinance is to implement the guarantees of Section 7 of Article I and of Section 2 of Article II of the California Constitution, as set forth in Sections 14025 through 14032 of the California Elections Code.

G. The City engaged an expert demographic firm to assist the City with the process of analyzing the City's population, developing draft maps, and gathering input from residents on the possible maps.

H. In accordance with Elections Code section 10010, the City Council held two public hearings to obtain input on any proposed district boundaries on April 5, 2023, and April 19, 2023.

I. On May 3, 2023, the City Council held a third public hearing to begin reviewing the proposed maps.

J. On May 17, 2023, the City Council held a fourth public hearing to select a map for adoption and introduced, read by title, and waived further reading of this Ordinance.

K. The purpose of this Ordinance is to enact, pursuant to California Government Code section 34886, an ordinance providing for the election of the Members of the City Council of the City of Aliso Viejo by-district in five single-member districts as reflected in Exhibit A to this Ordinance.

Section 2. Amendment Section 1.12.020 is hereby added to Chapter 1 of Title I of the Aliso Viejo Municipal Code to read as follows:

“1.12.020. – BY-DISTRICT ELECTIONS.

- (A) **By-District Elections.** Pursuant to California Government Code section 34886, Members of the City Council of the City of Aliso Viejo shall be elected by-district in five (5) single-member districts.
1. Members of the City Council shall be elected in the electoral districts established by subdivision (B) of this Section and subsequently reapportioned as provided by State law. Elections shall take place “by-district” as that term is defined in California Government Code section 34871, meaning one Councilmember shall be elected from each district, by the voters of that district alone.
 2. A Councilmember elected or appointed to represent a district must reside in that district and be a registered voter in that district, and any candidate for City Council must reside in, and be a registered voter in, the district in which he or she seeks election at the time nomination papers are issued.
 3. Termination of residency in a district by a Councilmember shall create a vacancy for that City Council district unless a substitute residence within the district is immediately declared and established within thirty (30) days after the termination of residency.

4. Notwithstanding any other provision of this Section, the Councilmembers in office at the time this Section takes effect shall continue in office until the expiration of the term to which he or she was elected. In the event a vacancy occurs before the expiration of the term of a Councilmember in office at the time this Section takes effect, a person who is appointed or elected by special election to fill such vacancy may reside anywhere within the corporate boundaries of the City. A person appointed or elected to fill such a vacancy shall hold the office in accordance with State law.

- (B) City Council Districts and District Elections. All five Councilmembers shall be elected on a “by-district” basis from the Council districts shown and numbered on the map titled ‘**City of Aliso Viejo District Map**’ attached as Exhibit A, a copy of which shall be on file in the City Clerk’s office. In 2024, and every four years thereafter, the following three City Council districts shall be elected by-district: District __; District __; and District __. In 2026, and every four years thereafter, the following two City Council districts shall be elected by-district: District __ and District __.
- (C) Amendment of District Boundaries. Pursuant to Elections Code section 21601, as it may be amended from time to time, the City Council shall adjust the boundaries of any or all of the districts following each decennial federal census to ensure that the districts are in compliance with all applicable provisions of law.”

Section 3. Technical District Changes. If necessary to facilitate the implementation of this Ordinance, the City Clerk is authorized to make technical adjustments to the district boundaries that do not substantively affect the populations in the districts, the eligibility of candidates, or the residence of elected officials within any district. The City Clerk shall consult with the City Manager and City Attorney concerning any technical adjustments deemed necessary and shall advise the City Council of any such adjustments required in the implementation of the districts.

Section 4. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this ordinance or any part hereof is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining portions of this ordinance or any part thereof. The City Council of the City of Aliso Viejo hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase hereof, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be declared invalid.

Section 5. Effective Date. This ordinance shall take effect thirty (30) days after the date of its passage; and prior to fifteen (15) days after its passage, the City Clerk shall cause a copy of this ordinance to be published in accordance with the provisions of the law. The City Clerk shall certify the adoption of this ordinance.

PASSED, APPROVED, AND ADOPTED this _____ day of _____ 2023.

Richard Hurt
Mayor

APPROVED AS TO FORM:

ATTEST:

Scott C. Smith, City Attorney

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 Ordinance No. 2023-____ was duly passed and adopted by the City Council of the City of Aliso Viejo at their regular meeting held on the ____ day of _____, 2023, by the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

MITZI ORTIZ, MMC
CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. 2023-____ duly passed and adopted by the Aliso Viejo City Council at its regular meeting held _____ and that the Summary of the Ordinance was published on _____ and _____ in the Laguna Niguel News.

MITZI ORTIZ, MMC
CITY CLERK

(SEAL)

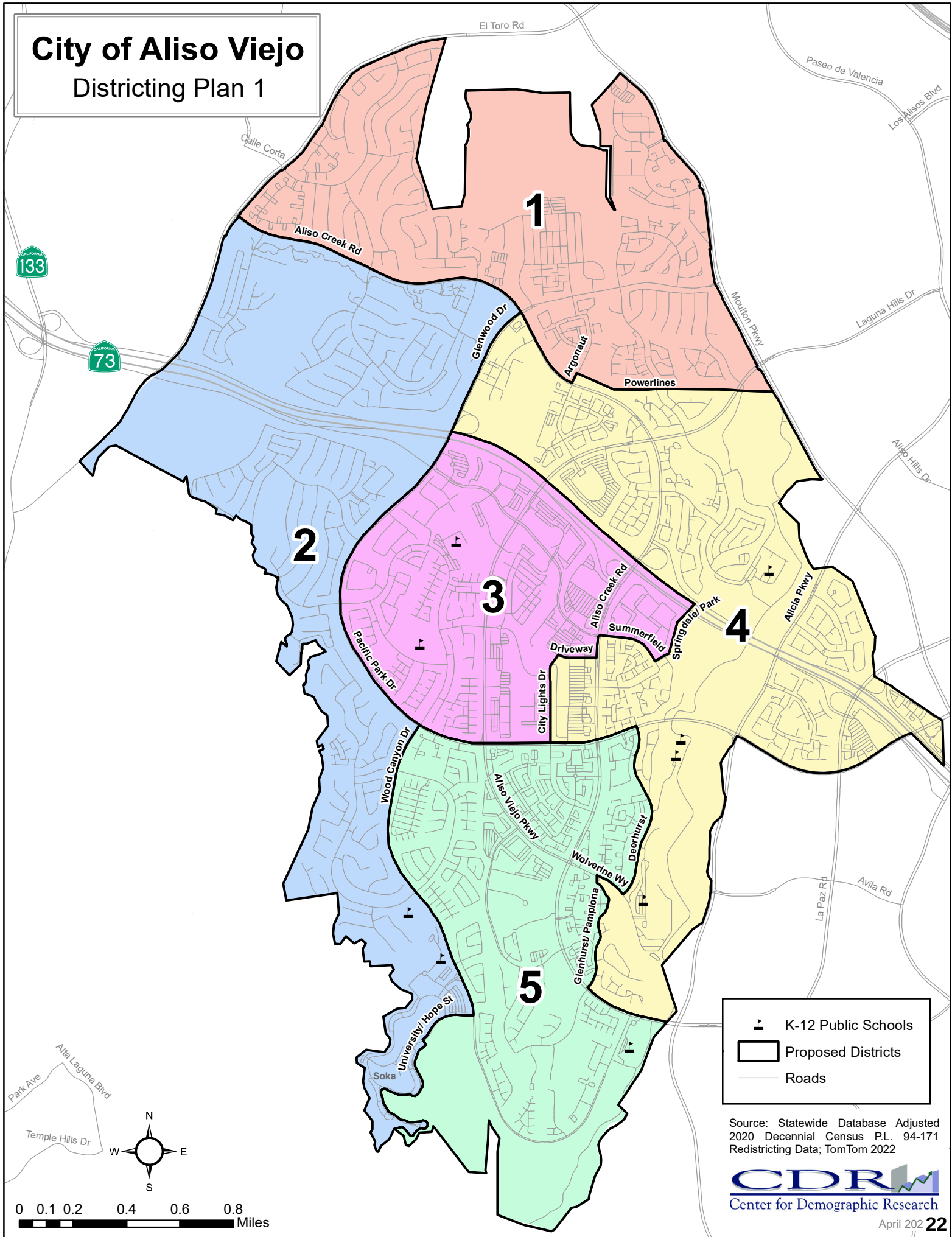
EXHIBIT A

City of Aliso Viejo District Map

[*INSERT MAP***]**

City of Aliso Viejo

Districting Plan 1



**City of Aliso Viejo Districting 2023
Plan 1**

Table 1. Population by District and Race/Ethnicity

	DISTRICT					Total
	1	2	3	4	5	
Total Population	10,372	9,958	10,976	10,411	10,505	52,222
Hispanic or Latino of any Race	2,398	1,320	2,004	2,476	1,660	9,858
Non-Hispanic White	5,494	5,824	5,853	5,608	6,278	29,057
Non-Hispanic Black or African-American	133	124	249	233	216	955
Non-Hispanic American Indian or Alaska Native	14	15	7	8	5	49
Non-Hispanic Asian	1,661	1,916	2,104	1,282	1,546	8,509
Non-Hispanic Native Hawaiian or Other Pacific Islander	21	20	39	45	30	155
Non-Hispanic Some Other Race	69	61	50	85	62	327
Non-Hispanic Two or More Races	582	678	670	674	708	3,312
Population 18 Years and Older	8,120	7,422	8,566	8,305	8,211	40,624
Hispanic or Latino of any Race	1,715	941	1,474	1,775	1,194	7,099
Non-Hispanic White	4,500	4,368	4,733	4,719	5,088	23,408
Non-Hispanic Black or African-American	124	113	203	206	193	839
Non-Hispanic American Indian or Alaska Native	12	14	7	7	0	40
Non-Hispanic Asian	1,363	1,547	1,643	1,047	1,214	6,814
Non-Hispanic Native Hawaiian or Other Pacific Islander	20	7	17	33	28	105
Non-Hispanic Some Other Race	45	40	39	57	47	228
Non-Hispanic Two or More Races	341	392	450	461	447	2,091
Citizen Voting Age Population (CVAP)	6,820	6,426	7,448	7,218	6,749	34,661
Hispanic or Latino of any Race	1,237	762	1,199	1,629	861	5,688
Non-Hispanic White	4,217	4,316	4,484	4,391	4,691	22,099
Non-Hispanic Black or African-American	90	60	165	260	398	973
Non-Hispanic American Indian or Alaska Native	60	4	0	0	0	64
Non-Hispanic Asian	1,015	1,148	1,215	717	676	4,771
Non-Hispanic Native Hawaiian or Other Pacific Islander	0	0	29	0	0	29
Non-Hispanic Two or More Races	185	133	343	220	133	1,014
Target District Population	10,444					
District Difference from Target Population	-72	-486	532	-33	61	
Percent Difference from Target Population	-0.69%	-4.65%	5.09%	-0.32%	0.58%	
Percentage Spread	9.75%					

City of Aliso Viejo Districting 2023
Plan 1

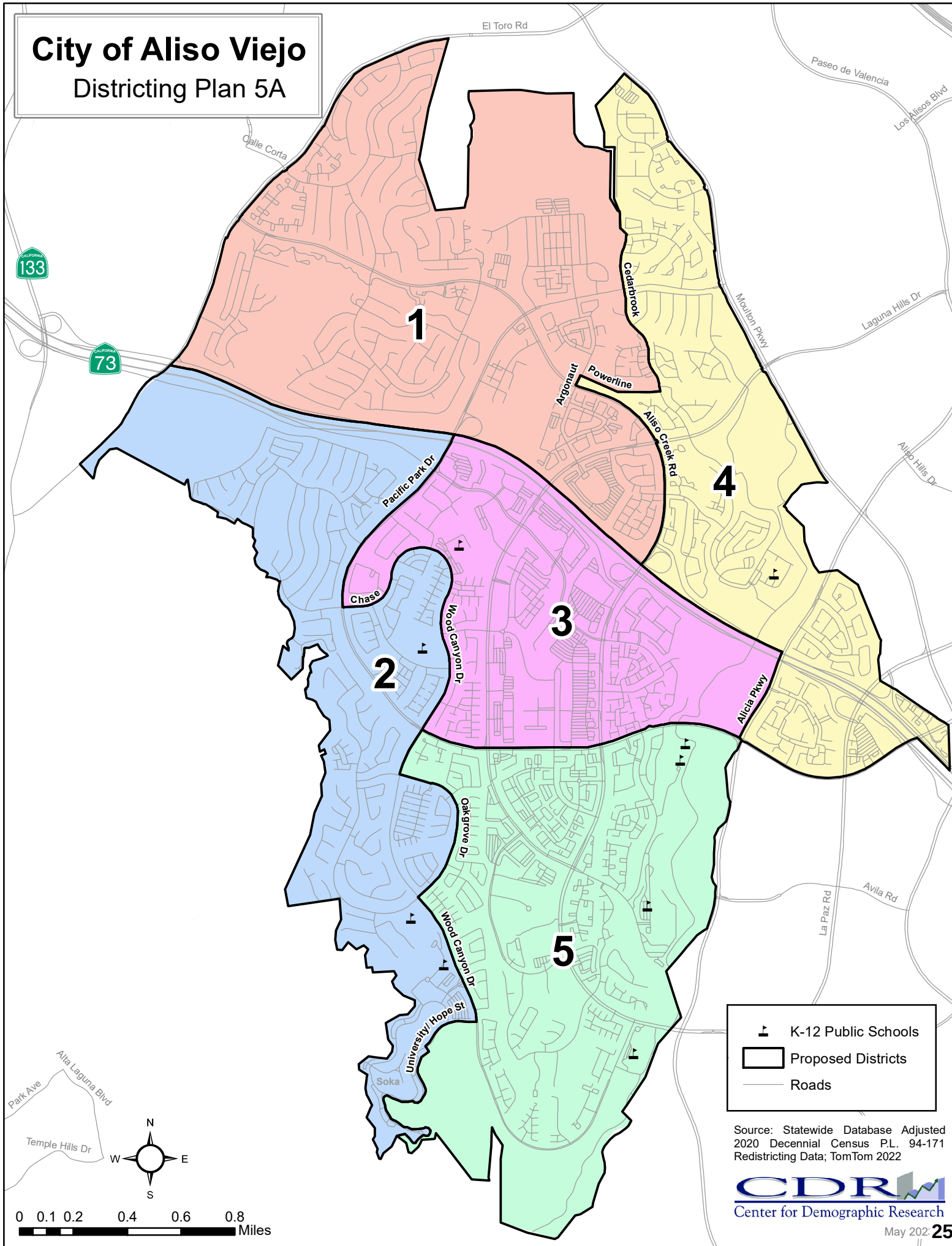
Table 2. Share of District Populations

	DISTRICT				
	1	2	3	4	5
Total Population	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	23.1%	13.3%	18.3%	23.8%	15.8%
Non-Hispanic White	53.0%	58.5%	53.3%	53.9%	59.8%
Non-Hispanic Black or African-American	1.3%	1.2%	2.3%	2.2%	2.1%
Non-Hispanic American Indian or Alaska Native	0.1%	0.2%	0.1%	0.1%	0.0%
Non-Hispanic Asian	16.0%	19.2%	19.2%	12.3%	14.7%
Non-Hispanic Native Hawaiian or Other Pacific Islander	0.2%	0.2%	0.4%	0.4%	0.3%
Non-Hispanic Some Other Race	0.7%	0.6%	0.5%	0.8%	0.6%
Non-Hispanic Two or More Races	5.6%	6.8%	6.1%	6.5%	6.7%
Population 18 Years and Older	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	21.1%	12.7%	17.2%	21.4%	14.5%
Non-Hispanic White	55.4%	58.9%	55.3%	56.8%	62.0%
Non-Hispanic Black or African-American	1.5%	1.5%	2.4%	2.5%	2.4%
Non-Hispanic American Indian or Alaska Native	0.1%	0.2%	0.1%	0.1%	0.0%
Non-Hispanic Asian	16.8%	20.8%	19.2%	12.6%	14.8%
Non-Hispanic Native Hawaiian or Other Pacific Islander	0.2%	0.1%	0.2%	0.4%	0.3%
Non-Hispanic Some Other Race	0.6%	0.5%	0.5%	0.7%	0.6%
Non-Hispanic Two or More Races	4.2%	5.3%	5.3%	5.6%	5.4%
Citizen Voting Age Population (CVAP)	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	18.2%	11.9%	16.1%	22.6%	12.7%
Non-Hispanic White	62.0%	67.2%	60.3%	60.8%	69.4%
Non-Hispanic Black or African-American	1.3%	0.9%	2.2%	3.6%	5.9%
Non-Hispanic American Indian or Alaska Native	0.9%	0.1%	0.0%	0.0%	0.0%
Non-Hispanic Asian	14.9%	17.9%	16.3%	9.9%	10.0%
Non-Hispanic Native Hawaiian or Other Pacific Islander	0.0%	0.0%	0.4%	0.0%	0.0%
Non-Hispanic Two or More Races	2.7%	2.1%	4.6%	3.0%	2.0%

Note: CVAP percentages are calculated from sum of individual categories, not Total Estimated CVAP.

City of Aliso Viejo

Districting Plan 5A



**City of Aliso Viejo Districting 2023
Plan 5A**

Table 1. Population by District and Race/Ethnicity

	DISTRICT					Total
	1	2	3	4	5	
Total Population	10,697	10,195	10,163	10,903	10,264	52,222
Hispanic or Latino of any Race	1,599	1,408	1,888	3,340	1,623	9,858
Non-Hispanic White	6,172	5,718	5,605	5,392	6,170	29,057
Non-Hispanic Black or African-American	130	133	249	230	213	955
Non-Hispanic American Indian or Alaska Native	17	11	7	8	6	49
Non-Hispanic Asian	1,938	2,087	1,750	1,286	1,448	8,509
Non-Hispanic Native Hawaiian or Other Pacific Islander	35	24	36	27	33	155
Non-Hispanic Some Other Race	68	71	46	74	68	327
Non-Hispanic Two or More Races	738	743	582	546	703	3,312
Population 18 Years and Older	8,300	7,443	8,065	8,684	8,132	40,624
Hispanic or Latino of any Race	1,159	971	1,397	2,398	1,174	7,099
Non-Hispanic White	4,921	4,240	4,600	4,588	5,059	23,408
Non-Hispanic Black or African-American	125	114	209	204	187	839
Non-Hispanic American Indian or Alaska Native	15	10	7	7	1	40
Non-Hispanic Asian	1,570	1,631	1,407	1,042	1,164	6,814
Non-Hispanic Native Hawaiian or Other Pacific Islander	29	8	20	18	30	105
Non-Hispanic Some Other Race	42	51	31	53	51	228
Non-Hispanic Two or More Races	439	418	394	374	466	2,091
Citizen Voting Age Population (CVAP)	7,225	6,814	6,622	7,403	6,597	34,661
Hispanic or Latino of any Race	1,143	668	1,149	1,927	801	5,688
Non-Hispanic White	4,466	4,612	4,151	4,318	4,552	22,099
Non-Hispanic Black or African-American	166	114	100	152	441	973
Non-Hispanic American Indian or Alaska Native	60	4	0	0	0	64
Non-Hispanic Asian	1,171	1,344	810	800	646	4,771
Non-Hispanic Native Hawaiian or Other Pacific Islander	0	0	29	0	0	29
Non-Hispanic Two or More Races	206	66	371	210	161	1,014
Target District Population	10,444					
District Difference from Target Population	253	-249	-281	459	-180	
Percent Difference from Target Population	2.42%	-2.38%	-2.69%	4.39%	-1.72%	
Percentage Spread	7.09%					

**City of Aliso Viejo Districting 2023
Plan 5A**

Table 2. Share of District Populations

	DISTRICT				
	1	2	3	4	5
Total Population	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	14.9%	13.8%	18.6%	30.6%	15.8%
Non-Hispanic White	57.7%	56.1%	55.2%	49.5%	60.1%
Non-Hispanic Black or African-American	1.2%	1.3%	2.5%	2.1%	2.1%
Non-Hispanic American Indian or Alaska Native	0.2%	0.1%	0.1%	0.1%	0.1%
Non-Hispanic Asian	18.1%	20.5%	17.2%	11.8%	14.1%
Non-Hispanic Native Hawaiian or Other Pacific Islander	0.3%	0.2%	0.4%	0.2%	0.3%
Non-Hispanic Some Other Race	0.6%	0.7%	0.5%	0.7%	0.7%
Non-Hispanic Two or More Races	6.9%	7.3%	5.7%	5.0%	6.8%
Population 18 Years and Older	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	14.0%	13.0%	17.3%	27.6%	14.4%
Non-Hispanic White	59.3%	57.0%	57.0%	52.8%	62.2%
Non-Hispanic Black or African-American	1.5%	1.5%	2.6%	2.3%	2.3%
Non-Hispanic American Indian or Alaska Native	0.2%	0.1%	0.1%	0.1%	0.0%
Non-Hispanic Asian	18.9%	21.9%	17.4%	12.0%	14.3%
Non-Hispanic Native Hawaiian or Other Pacific Islander	0.3%	0.1%	0.2%	0.2%	0.4%
Non-Hispanic Some Other Race	0.5%	0.7%	0.4%	0.6%	0.6%
Non-Hispanic Two or More Races	5.3%	5.6%	4.9%	4.3%	5.7%
Citizen Voting Age Population (CVAP)	100.0%	100.0%	100.0%	100.0%	100.0%
Hispanic or Latino of any Race	15.8%	9.8%	17.4%	26.0%	12.1%
Non-Hispanic White	61.9%	67.7%	62.8%	58.3%	69.0%
Non-Hispanic Black or African-American	2.3%	1.7%	1.5%	2.1%	6.7%
Non-Hispanic American Indian or Alaska Native	0.8%	0.1%	0.0%	0.0%	0.0%
Non-Hispanic Asian	16.2%	19.7%	12.3%	10.8%	9.8%
Non-Hispanic Native Hawaiian or Other Pacific Islander	0.0%	0.0%	0.4%	0.0%	0.0%
Non-Hispanic Two or More Races	2.9%	1.0%	5.6%	2.8%	2.4%

Note: CVAP percentages are calculated from sum of individual categories, not Total Estimated CVAP.

City of Aliso Viejo Districting

May 17, 2023

Presented to the City Council and public
at a regularly scheduled meeting of the City Council



ALISO VIEJO
Live Life Inspired

Acronyms

- Adjusted 2020 data- 2020 Decennial Census P.L. 94-171 Redistricting Data file adjusted to include the redistribution of the incarcerated persons to their last known California address as required by AB 849
- ACS- U.S. Census Bureau American Community Survey
- CDP- Census Designated Place
- CDR- Center for Demographic Research
- CVAP- Citizen Voting Age Population
- P.L. 94-171- Public Law 94-171
- ROV- Registrar of Voters
- SWDB- California Statewide Database

Timeline

Date	Type of Meeting	Purpose
March 15, 2023	City Council Meeting/ Discussion	City Council Resolution to undertake process to transition to by-district elections
April 5, 2023	Public Hearing	Public Hearing #1 (Before maps are drawn) - announce website; present Existing Conditions report and Public Participation Kit; open map submission period; solicit public input
April 19, 2023	Public Hearing	Public Hearing #2 (Before maps are drawn) - solicit public input
April 20, 2023	- -	Close of public map submission period
May 3, 2023	Public Hearing	Public Hearing #3 (After maps are drawn) - solicit public input; first review of draft maps; possible revision direction
May 17, 2023	Public Hearing	Public Hearing #4 (After maps are drawn) - solicit public input; consideration of maps and revised maps; selection of map and first reading of ordinance
June 7, 2023	City Council Meeting	Second reading of ordinance

Proposed Sequencing of Elections

- New districts would take effect for 2024 election
- Sequence with existing staggered terms of council members as applicable:
 - 2024: Three districts up for election
 - Districts 1, 3, & 5
 - 2026: Two districts up for election
 - Districts 2 & 4

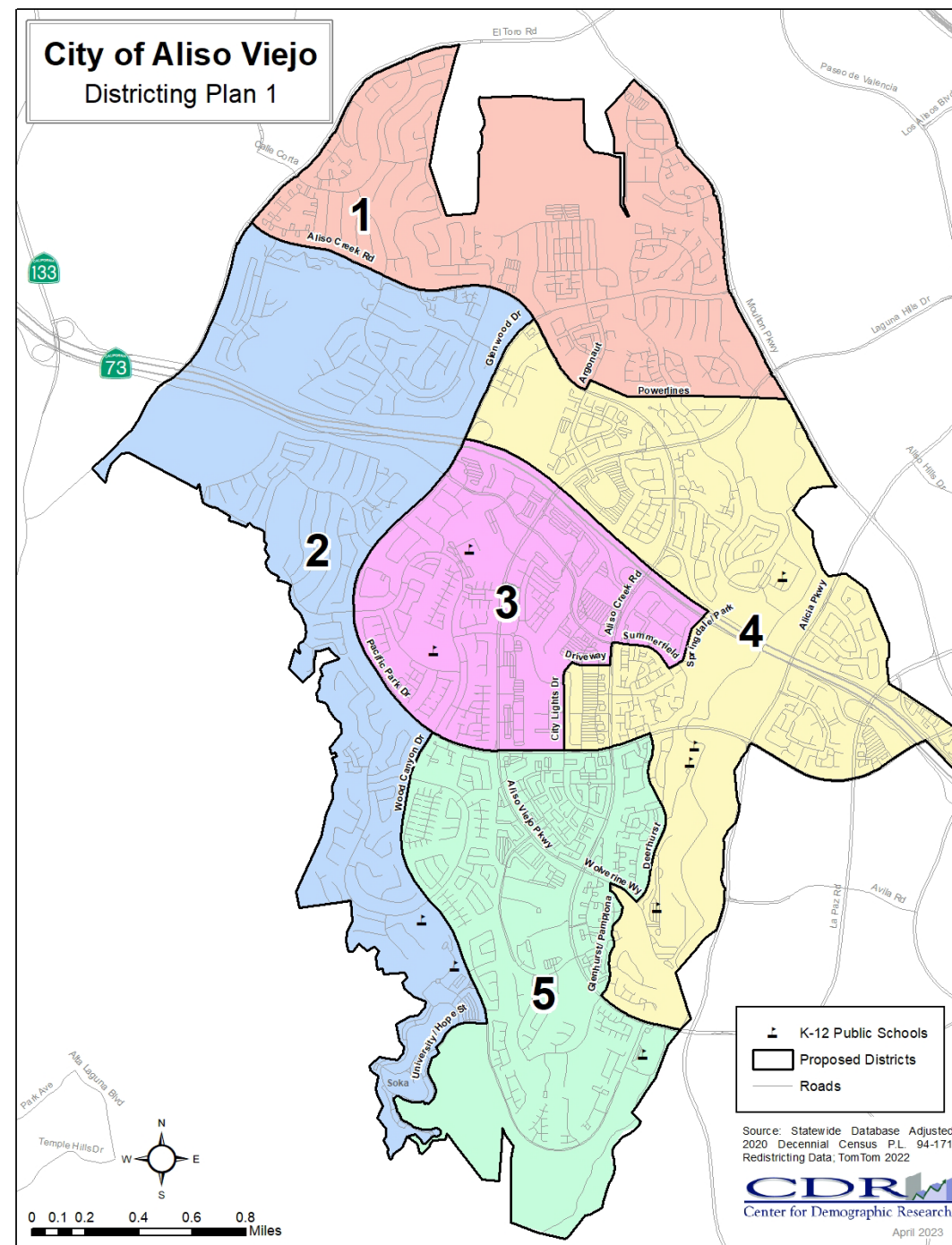
Summary of Districting Plans

Proposal	Percent Spread	Viable?
Plan 1	9.75%	Yes
Plan 2	8.25%	Yes
Plan 3	4.01%	Yes
Plan 4	5.23%	Yes
Plan 5	7.09%	Yes
Plan 5A	7.09%	Yes

Plan 1

Percent spread: 9.75%

Difference from Target 2020 Population		
District	Number	Percentage
1	-72	-0.69%
2	-486	-4.65%
3	532	5.09%
4	-33	-0.32%
5	61	0.58%

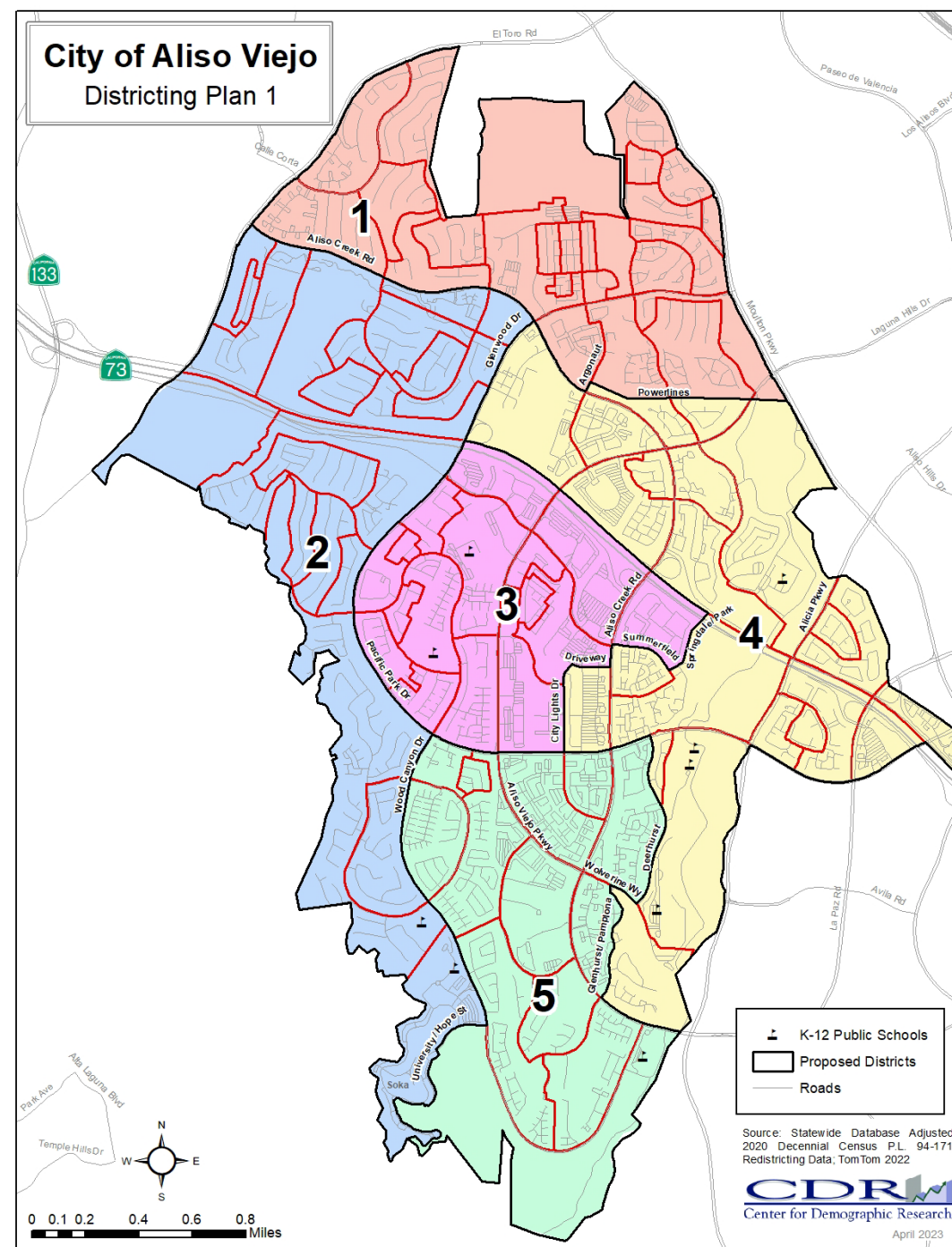


Plan 1

With Block Groups

Percent spread: 9.75%

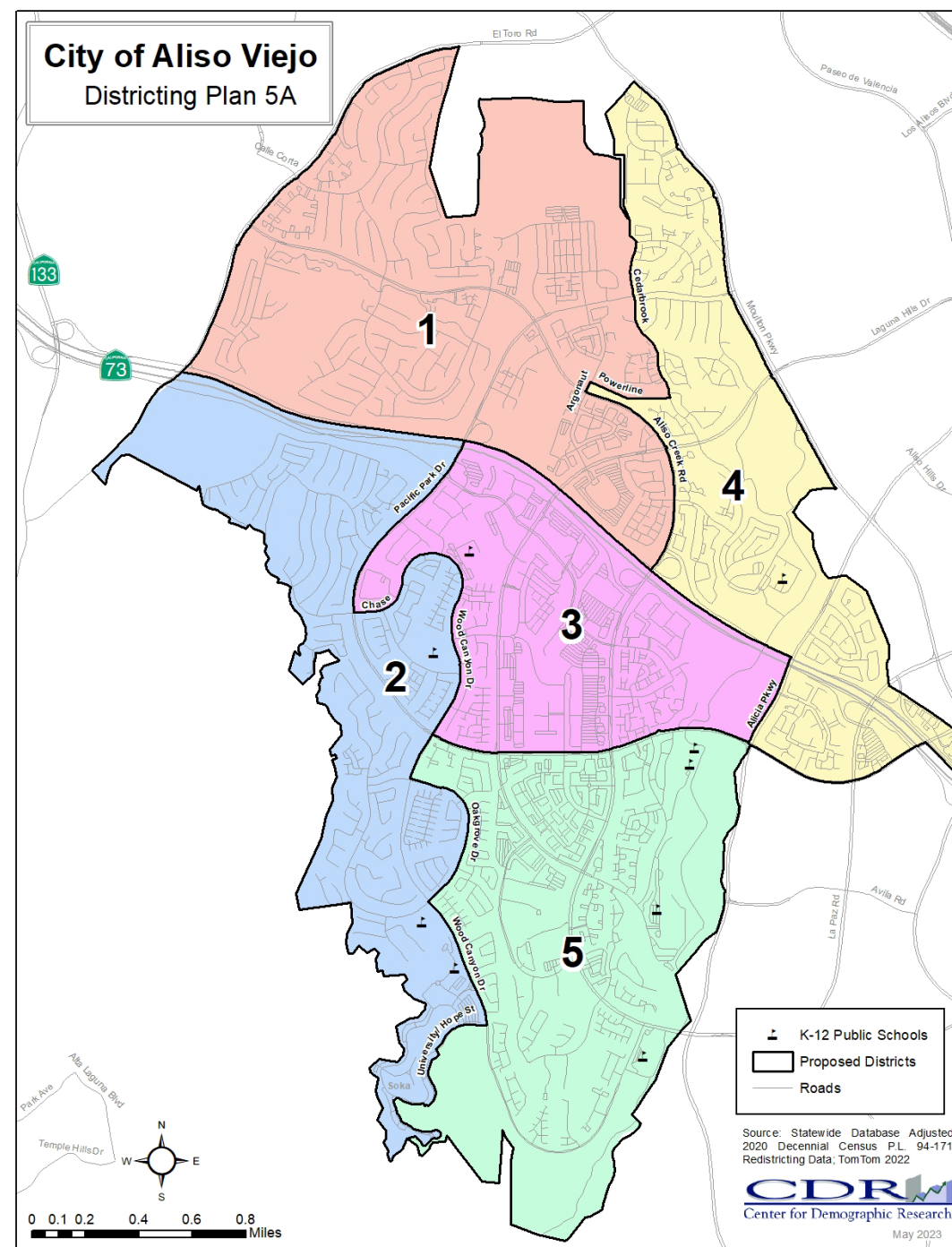
Difference from Target 2020 Population		
District	Number	Percentage
1	-72	-0.69%
2	-486	-4.65%
3	532	5.09%
4	-33	-0.32%
5	61	0.58%



Plan 5A

Percent spread: 7.09%

Difference from Target 2020 Population		
District	Number	Percentage
1	253	2.42%
2	-249	-2.38%
3	-281	-2.69%
4	459	4.39%
5	-180	-1.72%

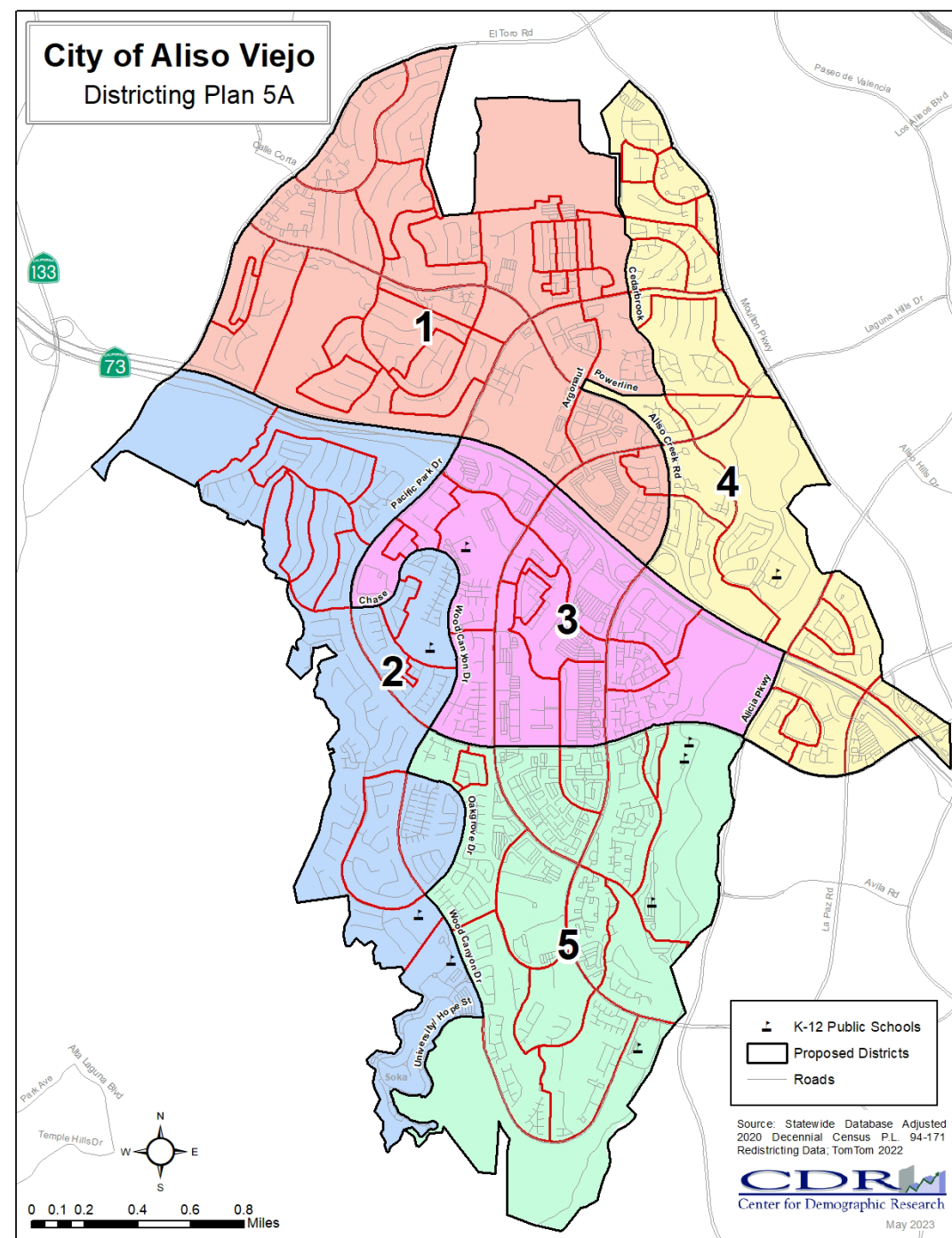


Plan 5A

With Block Groups

Percent spread: 7.09%

Difference from Target 2020 Population		
District	Number	Percentage
1	253	2.42%
2	-249	-2.38%
3	-281	-2.69%
4	459	4.39%
5	-180	-1.72%



Next Steps

- Select a preferred map
- Confirm election district sequencing
- Introduce the Ordinance approving final map selection

Questions?

- <https://avcity.org/districting>

City Council Update
May 17th, 2023

Aliso Viejo 2023 Local Hazard Mitigation Plan



WHAT | WHO | WHY



PREPARATION OF LOCAL
HAZARD MITIGATION PLAN
(LHMP)



LED BY ALISO VIEJO
EMERGENCY MANAGER



FUTURE MITIGATION GRANT
OPPORTUNITIES

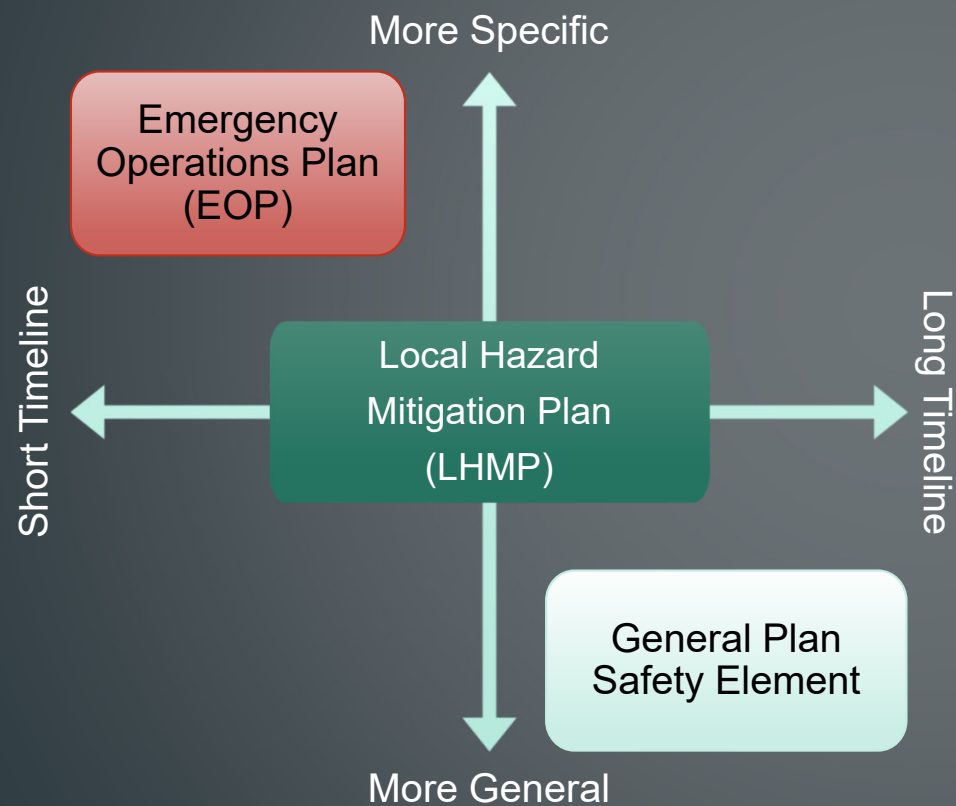
Project Funding

- ▶ Received a grant from the Federal Emergency Management Agency (FEMA)
- ▶ Local matching requirement met through City staff time (in-kind match).



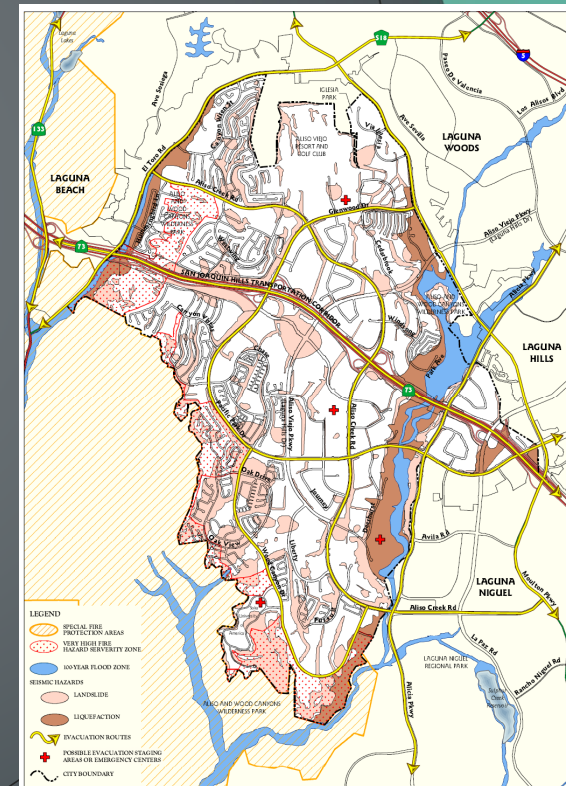
Photo courtesy: naturecoaster.com

Fitting the pieces together



Works with the Safety Element to:

- ▶ Address Hazards of Concern
- ▶ Align funding with future actions



What is Hazard Mitigation?



Sustained actions taken to reduce or eliminate long-term risk to life and property from hazards



Actions that make the community less vulnerable to natural hazards before disasters strike



Communities reduce their vulnerability through the development of a Local Hazard Mitigation Plan (LHMP)

WHAT DOES AN LHMP DO?



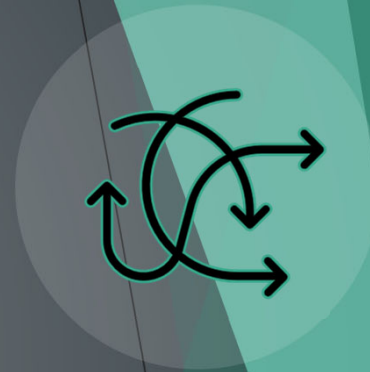
Discuss Community hazards



Analyzes hazard risks



Identifies Policies / Projects to Reduce Risk



Provides direction to implement and monitor



WHO IS PARTICIPATING IN THE LHMP PLANNING PROCESS?

Recreation
and
Community
Services

Orange
County Fire
Authority

Emergency
Management

Consultant:
Atlas
Planning
Solutions

Public Works

City Clerk /
Public
Information
Officer

IT
Department

Orange
County
Sheriff's
Department

City
Manager's
Office

Community
Development

Human
Resources



Why Prepare an LHMP?

Reduces injury, loss of life, property damage, and loss of services from natural disasters.

Eligibility for FEMA Grants:

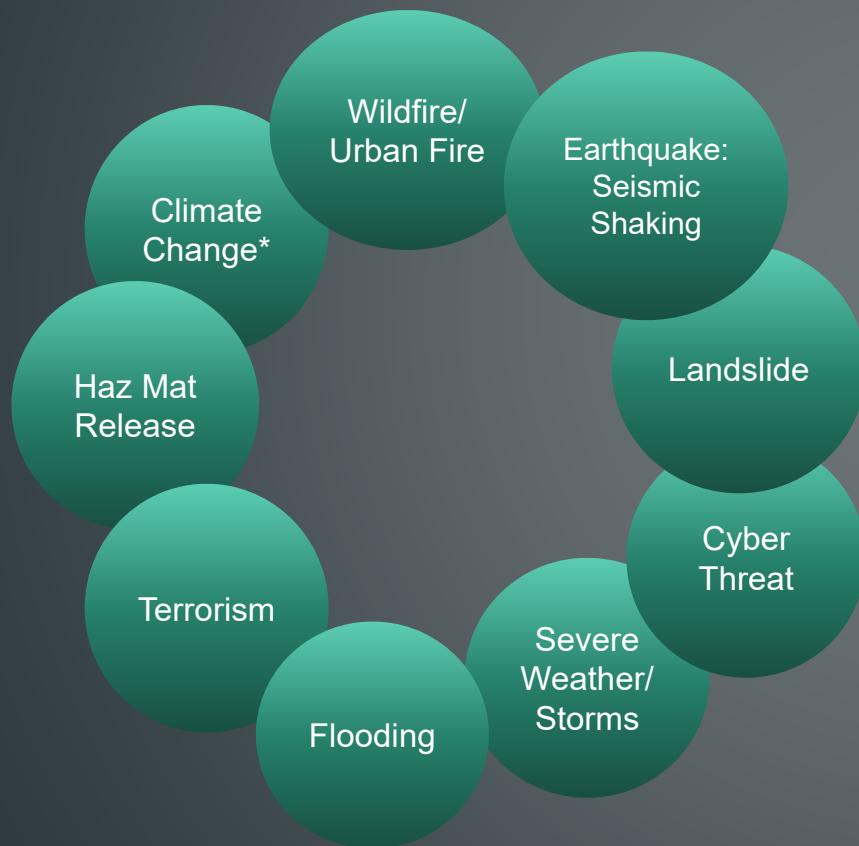
- ▶ Building Resilient Infrastructure and Communities (BRIC) replaces Pre-Disaster Mitigation Grant Program
- ▶ Flood Mitigation Assistance (FMA)
- ▶ Hazard Mitigation Grant Program (HMGP)



Aliso Creek flooding during a storm in 2019.
Courtesy of City of Aliso Viejo – Local Government Facebook Page



What Hazards are in the LHMP?



* Addressed under each hazard



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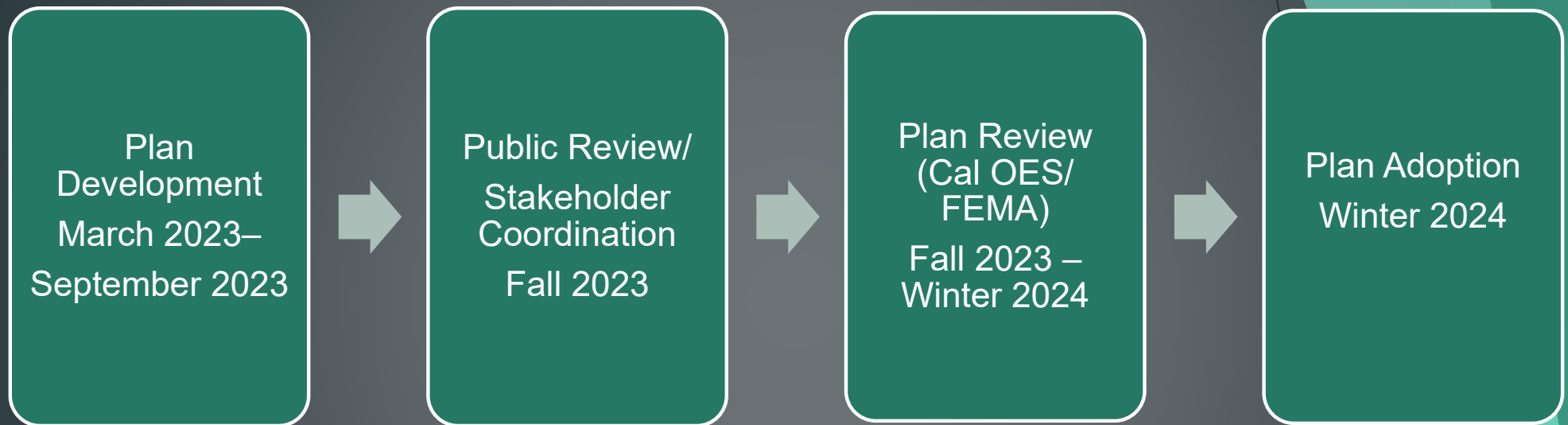
These Photos courtesy of OCFA



This Photo by Unknown Author is licensed under CC BY-SA



What Process was used to Develop the LHMP?



Public Participation

Online Engagement

- ▶ Online Survey (QR CODE)
 - ▶ Released Week of 05/08/23
- ▶ Online Promotion
 - ▶ Local Hazard Mitigation Plan Webpage
 - ▶ Aliso Viejo Fall Recreation Brochure

In Person Engagement

- ▶ Public Meetings (2)
 - ▶ City Council Presentation
(May 17th, 2023)
 - ▶ Furry Friends Pet Fair
(Sept 9th, 2023 @ AV Ranch)
- ▶ Public Review Draft
 - ▶ Fall 2023



Alert & Warning

Community
Emergency Response
Team (CERT)

Disaster Information

Disaster
Preparedness

Local Hazard
Mitigation Plan

Protecting Your Home
& Preparing to
Evacuate

Public Safety Power
Shutoff (PSPS)

Home • Services • Emergency Services • Local Hazard Mitigation Plan

LOCAL HAZARD MITIGATION PLAN

The City of Aliso Viejo is preparing the city's first Local Hazard Mitigation Plan (LHMP). This plan will help create a safer community for residents, businesses, and visitors. The LHMP allows public safety officials and city staff, elected officials, and members of the public to understand the threats from natural and human-caused hazards in our community. The plan will also recommend specific actions to proactively decrease these threats before disasters occur. This plan will open a five-year eligibility window for Federal Emergency Management Agency (FEMA) grants to assist in funding hazard mitigation projects within the City, as well as financial assistance from the state once formerly adopted by City Council.

Why have an LHMP?

An LHMP will let Aliso Viejo better plan for future emergencies. Usually, after a disaster occurs, communities take steps to recover from the emergency and rebuild. An LHMP is a way for the City to better prepare in advance of these disasters, so when they do occur, less damage occurs, and recovery is easier. Our community can use LHMP strategies to reduce instances of property damage, injury, and loss of life from disasters. Besides protecting public health and safety, this approach can save money. Studies estimate that every dollar spent on mitigation saves an average of four dollars on response and recovery costs. An LHMP can also help strengthen the mission of public safety officers, such as police and fire department staff, providing them with clear roles and responsibilities to build a safer community.

Besides helping to protect Aliso Viejo, our LHMP will make the City eligible for grants from the Federal Emergency Management Agency (FEMA) that can be used to further improve safety and preparedness in the community. Having an adopted LHMP can also make Aliso Viejo eligible to receive more financial assistance from the State when disasters do occur.

What is in our LHMP?

The City of Aliso Viejo LHMP includes four main sections:

- A summary of the natural and human-caused hazards that pose a risk to our community. This will include descriptions of past disaster events and the chances of these disasters occurring in the future.
- An assessment of the threat to Aliso Viejo, which will describe how our community is vulnerable to future disasters. The plan will look at the threat to important buildings and infrastructure, such as OCSD and OCHA stations, hospitals, roads, and utility lines. It will also look at the threat to community members, particularly vulnerable populations.

avcity.org/LHMP

Questions?

Please Contact:

Sarah Limones

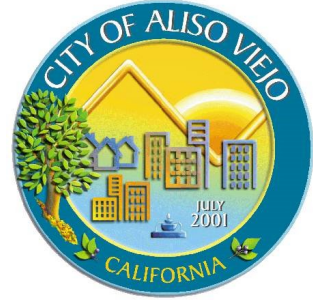
Senior Emergency Management
Program Coordinator

Phone: 949-425-2598

Email: DisasterPrep@avcity.org

City of Aliso Viejo

AGENDA ITEM



DATE: May 17, 2023

TO: Mayor and City Council

FROM: Ann Eifert, Director of Financial Services

SUBJECT: DRAFT ANNUAL BUDGET FOR FISCAL YEAR 2023-24

Recommended Actions:

1. Review the draft FY 2023-24 Annual Budget; and
2. Provide any additional direction to staff regarding the draft FY 2023-24 Budget.

Fiscal Impact:

The draft fiscal year (FY) 2023-24 budget includes appropriations for programs and projects necessary to continue to provide essential services to the community. General Fund revenues are estimated to total \$22,726,844. Staff is proposing a prudent General Fund expenditure budget with budget reductions across all departments. The budget totals \$23,899,602 and includes all operating costs, capital improvement expenditures, and debt service.

A General Fund budget deficit is estimated at \$1,172,758 for FY 2023-24. The use of General Fund reserves is necessary and will fund capital improvement projects totaling \$573,000 and debt service payments on the Certificates of Participation in the amount of \$658,250. The estimated year-end General Fund balance is approximately \$29,468,548.

In addition to the General Fund, the City uses "Special Revenue Funds" to fund various City expenditures. Special Revenue Funds are typically restricted funds, such as Traffic Congestion Relief Funds, Gas Tax, SB 1, Measure M, Air Quality AB 2766 (AQMD), and Federal and Other Grants, and can only be used for specific purposes. Revenue and appropriations for Special Revenue Funds for FY 2023-24 are approximately \$9,209,917 and \$9,249,511, respectively. At the end of operations for FY 2023-24 the estimated fund balance for all City funds is \$33,196,699.

Background:

On April 19, 2023, a City Council study session was held to discuss the FY 2023-24 draft budget. The initial draft budget projected a budget deficit of \$1,561,264. Budget

balancing measures were discussed and included the use of General Fund reserves totaling \$1,231,250 for debt service payments and capital improvements. In addition, an estimated \$350,000 in reductions were proposed by freezing one motor officer position and maintaining another \$50,000 in vacancy credits with the Orange County Sheriff's Department (OCSD). These budget balancing measures have been incorporated into the draft budget.

Discussion:

General Fund Revenues

Revenue forecasts for FY 2023-24 were prepared using estimates and projections provided by the State, other agencies, and consultants. Anticipated General Fund revenues are estimated to total \$22,726,844 and reflects a decrease of approximately \$1,992,484 from the current year's adjusted budget. The decrease is a result of the loss of American Rescue Plan Act (ARPA) funding that was provided to the City in the prior two years to offset the financial impacts of the COVID-19 pandemic.

The City receives 84% of its revenue from taxes. This includes property, sales, transient occupancy, and franchise taxes. These sources are described below:

- Property taxes remain the City's highest and most stable source of revenue with an estimated increase of \$429,500 to \$9,731,500 or 4.6% primarily due to inflationary adjustments by the County's assessor's office and some growth in property values from the prior year.
- Sales tax revenue forecasts show no growth from the current fiscal year and is estimated at \$6,050,641. The current sales tax estimates do not include any potential sales tax revenue from new development scheduled to open during the new fiscal year.
- Projections for the City's transient occupancy tax (TOT) are optimistic that the tourism industry has fully rebounded from the effects of stay-at-home orders of the pandemic. FY 2023-24 is estimated at \$1,600,000, a slight increase from the current year of \$100,000 or 6.7%.
- Franchise fees are collected from companies that provide electric, gas, cable, and solid waste collection within the City. Franchise fees are expected to increase by \$95,000 to \$1,600,000 due to increases in gas, electric, and solid waste charges. These increases have largely offset the continual decline in cable franchise fees as new services replace traditional television cable.

The remaining 16% of General Fund revenues include other sources such as licenses and permits, fines and forfeitures, investment earnings, fees for services, rental income, and recreation. These sources, with the exception of investment earnings, are expected

to remain flat compared to current levels. Investment earnings are expected to increase by \$100,000 to \$400,000 as interest rates rise from record low levels.

General Fund Appropriations

General Fund appropriations total \$23,899,602 for FY 2023-24. Total expenditures include salaries and benefits for 29 full-time positions, 5 elected officials, and part-time positions primarily in recreation. Salaries and benefits expenses include merit-based salary increases and cost-of-living adjustments (COLA) in accordance with the Classification and Compensation Plan approved by Council in 2018, which is based on the Annual Consumer Price Index, Urban Wage Earners and Clerical Workers, Los Angeles-Long Beach-Anaheim (CPI-W). Although the CPI-W is 7.5%, the budget is based on a 5.0% COLA for full-time and part-time employees effective July 1, 2023, and is estimated at \$197,500.

In addition, appropriations include CalPERS normal pension costs increasing by approximately 1% for both classic and PEPRA employees. Unfunded pension liability costs total \$87,004, which decreased from the prior year by approximately \$11,500. Total CalPERS payments are estimated at \$510,000. As of the most recent CalPERS actuarial valuation, the City's accrued liability's funded ratio is above the required funding level of 80% established by Council policy in 2017.

The FY 2023-24 budget provides the necessary funding to continue essential services throughout the community. The budget reflects a decrease of \$758,588 or 3.1% compared to the FY 2022-23 adjusted budget. In light of the City's reduced revenues and higher expenses, budget reductions were made across all departments. General Fund increases and/or decreases within various departments are highlighted below.

Public Safety

Public Safety, which represents 44% of the City's General Fund budget, includes law enforcement, animal control, crossing guards, emergency management, and crime prevention. Adjustments to the FY 2023-24 budget for public safety include:

- The total contract cost with OCSD for law enforcement services is \$9,864,061; however, \$300,000 has been reduced from the budget in anticipation of freezing one motor officer position.
- An additional \$50,000 was reduced from the OCSD contract for other vacancy credits for both sworn and non-sworn positions.
- Animal control services with the City of Mission Viejo totals \$474,487, which represents an increase of \$12,300 or 2.7%.
- Contract costs for crossing guards increased by \$15,235 or 6.3% to \$256,266.
- The current estimated budget does not include any anticipated increases from the on-going labor negotiations between the County and labor groups.

Administration & Support

- Insurance premiums for property, general liability, workers' compensation, crime, and pollution increased a total of \$73,247 or 22.2% to \$403,642.
- Funding for training was reduced by \$20,000.
- Utility increases for gas and electricity are estimated to rise over 6% to \$221,500.

Community and Economic Development

- Annual support and licensing for the new permit software total \$65,000.
- Continual investment in permitting software is estimated at \$55,000.
- Tax subsidy payments with EFuel, LLC is expected to increase by \$268,000 to \$685,000 as a result of higher sales tax generated through the shared tax agreement approved by Council in 2016.

Public Works

- Increase in Maintenance of Effort (MOE) of 3% to \$556,162. The MOE is the minimum required funding from the City's General Fund for street related maintenance to receive funding from the State and County.

Community Services and Recreation

- Part-time salaries were reduced by \$200,000.
- Marketing expenses decreased by \$100,000.
- Community Assistance grants were reduced by \$31,000.

Capital Improvement

Other General Fund obligations include various transfers to capital funds for capital improvement projects, totaling \$573,000 for FY 2023-24. Improvements at City Hall have been budgeted to leverage potential grant funding that may be available to the City with matching funds. General Fund projects include:

- City Hall HVAC Replacement - \$113,000 (total project \$226,160)
- City Hall Landscaping Improvements - \$75,000 (total project \$150,000)
- Aliso Viejo Aquatic Center Improvements - \$295,000
- Information Technology Server Equipment - \$75,000
- Dairy Fork and Wetlands Monitoring Projects - \$15,000

Special Revenue Funds

Special Revenue funds are expended in compliance with their funding stipulations; however, it is common to accumulate Special Revenue funds for multiple years in order to expend on larger City projects.

Road funds consist of Traffic Congestion Relief funds, Gas Taxes, Measure M and SB 1 funds. These funds are restricted and may only be utilized for the maintenance and improvement of street and traffic projects.

Gas Tax revenue is expected to increase by approximately \$31,400 or 2.1% to \$1,492,900 and is based on recent projections provided by the State. These funds are primarily used for ongoing costs associated with street maintenance, street sweeping, street lighting, and pavement management. Appropriations are estimated \$1,321,800.

SB 1 funds will also see an increase of \$151,555, or 13.3% to \$1,291,695. Expenses are allocated towards street CIP projects and total \$1,495,000.

Measure M is a major revenue source for the City's streets and roads projects. Revenue projected in this category is expected to increase by \$216,006, or 26.0% to \$1,045,512. Included in these funds is the Senior Mobility Grant Program, which provides free door-to-door transportation services for any senior citizen residing in Aliso Viejo to attend programs at nearby senior centers. Total appropriations are \$1,082,578.

The Federal Grants budget totals \$877,535 and includes funding in the amount of \$599,315 for Community Development Block Grant (CDBG) and CDBG Cares Act, \$75,000 from the Bureau of Reclamation WaterSmarts Grant for landscape improvements, \$113,160 from the Energy Efficiency Block Grant for HVAC improvements, and \$90,060 from FEMA to complete the City's Hazard Mitigation Plan.

Public Safety grants include Supplemental Law Enforcement Service Funds (SLESF) for front line local public safety programs and equipment, and is expected to be about the same as the prior year at \$176,620 in revenue and \$176,043 in expenses. These funds are used to offset contractual costs with the OCSD for various police equipment.

The Technology Grant is provided from public, educational, and government access (PEG) fees received through cable franchises and is estimated at \$98,900. Expenses totaling \$92,880 are used for public programming, such as Council meetings and SportsZone.

Integrated Waste Management grants total \$14,000 and AQMD AB 2766 Subvention funds total \$73,000. Expenses total \$16,000 and \$50,000, respectively, and will be spent according to grant guidelines.

Revenues for the Other Grants fund vary from year to year depending on grant awards. There are no grants projected at this time. Staff continues to actively seek grant opportunities as they arise.

Management services for the Aliso Viejo Center and the Aquatic Center are provided by two qualified management companies. Aliso Viejo Center revenues total \$2,956,835 and expenses total \$2,371,807, resulting in a net transfer of \$585,028 to the General Fund.

The Aquatic Center revenues are \$998,000, with expenditures totaling \$1,181,840. The City's General Fund will subsidize the operating deficit of \$183,840.

Special Revenue Capital Improvement Projects scheduled for FY 2023-24 total \$3,046,448 and includes the following projects:

- Aliso Creek Road Traffic Signal Synchronization Program - \$175,000
- Glenwood Rehabilitation (SR73 to Aliso Creek) - \$60,000
- Enterprise Rehabilitation (Aliso Creek to Aliso Viejo Pkwy) - \$1,435,000
- Aliso Creek Rehabilitation (Enterprise to SR73) - \$870,000
- ADA Improvements at City Facilities - \$318,288
- City Hall HVAC Replacement - \$113,160 (total project \$226,160)
- City Hall Landscaping Improvements - \$75,000 (total project \$150,000)

Conclusion

Staff continues its ongoing analysis of revenues and expenditures for FY 2023-24. Additional sales tax revenue generated from new development in the upcoming year and increases to the OCSD contract is unknown at this time, which will impact the estimated ending fund balance. Revenues will be monitored to identify additional sales tax from new development as well as potential shortfalls in other revenue sources. Expenditures will be analyzed for criticality and services or purchases that are deemed not essential to City services will be deferred when applicable. Staff continues to explore revenue enhancement opportunities through economic development activity and seek grant opportunities when available to uphold the City's vision of providing critical services to residents and businesses.

Attachments:

1. Government Wide Summary of Resources and Appropriations
2. General Fund Resources and Appropriations
3. Capital Improvement Plan
4. Draft Budget Presentation

CITY OF ALISO VIEJO

SUMMARY OF RESOURCES & APPROPRIATIONS BY FUND

FY 2023-2024

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Adopted Budget	2022-23 Adjusted Budget	2023-24 Proposed Budget
OPERATING BUDGET						
RESOURCES¹						
101 General Fund	19,442,019	18,295,799	24,273,137	23,838,978	24,719,328	22,726,844
202 TCRF	62,193	1,800	(3,031)	1,125	1,125	1,000
203 Gas Tax	1,156,262	1,120,335	1,155,002	1,461,500	1,461,500	1,492,900
204 Measure M	801,105	737,339	862,377	829,506	829,506	1,045,512
205 RMRA	916,520	941,141	986,373	1,140,140	1,140,140	1,291,695
215 Public Safety Grants	160,883	159,660	183,951	176,620	176,620	176,700
221 AQMD Air Quality	98,264	149,987	9,294	70,000	70,000	73,000
225 Integrated Waste Management	13,701	12,795	81,024	12,925	12,925	14,000
231 Other Grants	66,933	15,033	72,873	75,405	75,405	—
241 Technology Grant	136,318	123,316	100,812	109,000	109,000	98,900
245 Development Impact	9,600	585,000	—	—	—	—
251 Federal Grant	904,571	810,279	2,906,107	3,375,346	3,375,346	877,535
260 Aliso Viejo Center	1,301,392	1,074,567	2,686,733	2,400,909	2,400,910	2,956,835
261 Aquatic Center	733,564	1,086,635	1,150,632	1,136,740	1,136,740	1,181,840
411 Debt Service Fund	12,392,198	631,061	654,437	657,050	657,050	658,250
Total Resources	38,195,523	25,744,747	35,119,714	35,285,244	36,165,595	32,595,011
APPROPRIATIONS¹						
101 General Fund	19,068,427	24,135,397	20,824,132	23,778,140	24,658,190	23,899,602
202 TCRF	57,196	33,493	11,769	76,000	76,000	—
203 Gas Tax	1,291,825	1,167,272	1,162,911	1,382,800	1,437,800	1,321,800
204 Measure M	204,110	1,322,465	398,961	1,597,965	1,846,181	1,082,578
205 RMRA	827,706	954,436	944,154	1,703,000	1,703,000	1,495,000
215 Public Safety Grants	143,277	172,533	164,879	192,315	192,315	175,043
221 AQMD Air Quality	72,670	82,630	—	100,000	100,000	50,000
225 Integrated Waste Management	10,409	23,518	15,184	16,000	16,000	16,000
231 Other Grants	232,881	97,451	348,569	—	63,691	—
241 Technology Grant	39,088	168,743	24,832	75,180	75,180	92,880
245 Development Impact	2,396,280	1,796,748	—	—	1,000	—
251 Federal Grant	891,444	807,998	3,007,233	3,080,377	3,410,420	877,535
260 Aliso Viejo Center	1,301,392	1,074,567	2,686,733	2,400,910	2,400,910	2,956,835
261 Aquatic Center	733,564	1,067,135	1,170,132	1,136,740	1,136,740	1,181,840
411 Debt Service	8,072,503	4,950,756	657,705	657,050	657,050	658,250
Total Appropriations	35,342,772	37,855,142	31,417,136	36,196,477	37,774,477	33,807,363
CHANGE IN OPERATING FUNDS BALANCE	2,852,751	(12,110,395)	3,702,578	(911,233)	(1,608,882)	(1,212,352)
CAPITAL BUDGET						
RESOURCES¹						
311 Street Improvements	1,999,542	2,327,098	1,500,043	3,524,000	3,772,216	2,540,000
331 Capital Improvements	642,142	350,508	572,107	411,000	534,000	1,064,448
332 Storm Water Improvements	32,668	(294)	24,692	30,000	30,000	15,000
340 COP	9,659,998	10,240,431	—	—	—	—
Total Resources	12,334,350	12,917,743	2,096,842	3,965,000	4,336,216	3,619,448
APPROPRIATIONS¹						
311 Street Improvements	1,999,542	2,327,098	1,500,043	3,524,000	3,772,216	2,540,000
331 Capital Improvements	642,142	350,508	572,107	411,000	534,000	1,064,448
332 Storm Water Improvements	32,667	(292)	24,692	30,000	30,000	15,000
340 COP	9,659,998	10,240,431	—	—	—	—
Total Appropriations	12,334,349	12,917,745	2,096,842	3,965,000	4,336,216	3,619,448
CHANGE IN CAPITAL FUNDS BALANCE	1	—	—	—	—	—
NET CHANGE IN FUND BALANCE	2,852,752	(12,110,400)	3,702,578	(911,233)	(1,608,882)	(1,212,352)
Total Beginning Fund Balance	41,573,004	44,425,756	32,315,356	36,017,932	36,017,932	34,409,050
PROJECTED TOTAL ENDING FUND BALANCE	44,425,756	32,315,356	36,017,932	35,106,699	34,409,050	33,196,699

¹ Data Includes Interfund Transfers

CITY OF ALISO VIEJO

GENERAL FUND RESOURCES AND APPROPRIATIONS

FY 2023-2024

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Adopted Budget	2022-23 Adjusted Budget	2023-24 Proposed Budget
RESOURCES						
Taxes						
General Property Taxes						
Current, Secured	2,716,364	2,845,832	2,893,161	3,027,000	3,027,000	3,295,000
Current, Unsecured	84,048	85,578	90,637	84,000	80,000	84,000
Prior Year Taxes	20,806	28,004	28,433	25,000	25,000	25,000
Supplemental Roll	58,019	58,962	68,707	40,000	60,000	60,000
Miscellaneous Property Tax	8,746	5,319	2,860	5,000	3,000	5,000
Property Tax In Lieu	5,324,592	5,499,314	5,648,353	5,895,000	5,894,000	6,100,000
Real Property Transfer Tax	420,901	444,547	466,032	400,000	200,000	149,500
Homeowner Prop Tax Relief	14,210	13,964	13,555	14,000	13,000	13,000
Total General Property Taxes	8,647,686	8,981,520	9,211,738	9,490,000	9,302,000	9,731,500
Sales & Use Tax						
General Sales Tax	4,765,921	3,524,908	6,117,932	5,580,000	6,102,950	6,050,641
Total Sales & Use Taxes	4,765,921	3,524,908	6,117,932	5,580,000	6,102,950	6,050,641
Franchise Fees						
Franchise-Electric	360,005	407,387	446,977	400,000	400,000	600,000
Franchise-Gas	73,276	79,335	92,098	80,000	80,000	100,000
Franchise-Cable Tv	664,825	608,138	537,489	525,000	525,000	400,000
Franchise-Waste Collection	437,824	457,462	451,640	450,000	450,000	450,000
Franchise-Other	62,316	—	108,537	50,000	50,000	50,000
Total Franchise Fees	1,598,246	1,552,322	1,636,741	1,505,000	1,505,000	1,600,000
Other Taxes						
County Fire Tax Credit	245	140	315	175	175	175
Public Utility Tax	37,882	41,437	40,900	40,000	40,000	40,000
Transient Occupancy Tax	1,220,997	723,599	1,413,074	1,440,000	1,500,000	1,600,000
Total Other Taxes	1,259,124	765,176	1,454,289	1,480,175	1,540,175	1,640,175
Total Taxes	16,270,977	14,823,926	18,420,700	18,055,175	18,450,125	19,022,316
Licenses & Permits						
Construction Permits						
Building Permits	332,550	444,949	279,321	300,000	300,000	300,000
Electrical Permits	58,709	129,480	75,694	75,000	75,000	75,000
Plumbing Permits	103,354	117,701	81,737	62,500	77,500	80,000
Mechanical Permits	84,350	134,655	79,704	62,500	77,900	80,000
Grading Permits	—	—	—	—	—	—
C & D Permits	27,680	28,961	25,206	30,000	30,000	30,000
AUP	6,483	6,022	3,402	4,000	4,000	4,000
TUP	556	574	1,167	600	600	600
Exception Permit	722	1,490	5,289	2,500	2,500	2,500
Zoning/HO/Review	3,084	2,345	2,034	2,500	2,500	2,500
Sign Permits	4,286	4,670	4,957	4,000	4,000	4,000
Use Permit	37,254	22,378	41,740	16,000	16,000	60,000
Issuance Fee	47,603	62,125	96,913	50,000	100,000	51,400
Massage License Fees	—	—	—	—	—	—
Water Quality	13,091	21,432	17,004	10,000	10,000	10,000
Total Construction Permits	719,722	976,782	714,168	619,600	700,000	700,000
Total Licenses & Permits	719,722	976,782	714,168	619,600	700,000	700,000

CITY OF ALISO VIEJO

GENERAL FUND RESOURCES AND APPROPRIATIONS

FY 2023-2024

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Adopted Budget	2022-23 Adjusted Budget	2023-24 Proposed Budget
Fines & Forfeitures						
<u>Vehicle Code Fines</u>						
Vehicle Code Fines	114,562	131,085	75,160	100,000	50,000	50,000
Total Vehicle Code Fines	114,562	131,085	75,160	100,000	50,000	50,000
<u>Other Fines & Forfeitures</u>						
Parking Citations	160,667	179,334	97,973	120,000	50,000	83,800
Total Other Fines & Forfeitures	160,667	179,334	97,973	120,000	50,000	83,800
Total Fines & Forfeiture	275,229	310,419	173,133	220,000	100,000	133,800
Revenue-Use of Money & Property						
<u>Investment Earnings</u>						
Investment Earnings	761,278	176,746	(318,666)	300,000	300,000	400,000
Total Investment Earnings	761,278	176,746	(318,666)	300,000	300,000	400,000
<u>Rents & Concessions</u>						
Rent-Iglesia Park	—	—	—	—	—	—
Program Revenue	—	—	—	—	—	—
Total Rents & Concessions	—	—	—	—	—	—
Total Rev-Use of Money & Property	761,278	176,746	(318,666)	300,000	300,000	400,000
Intergovernmental Revenues						
<u>State Shared Taxes</u>						
Motor Vehicle License Fee	40,659	36,704	57,547	40,000	40,000	40,000
State Mandated Reimbursement	8,527	6,140	7,128	7,500	7,500	7,500
Total State Shared Taxes	49,186	42,844	64,675	47,500	47,500	47,500
Total Intergovernmental Revenues	49,186	42,844	64,675	47,500	47,500	47,500
Current Services Charges						
<u>General Govt. Charges</u>						
Sales of Publications	18	—	3	—	—	—
Total General Govt. Charges	18	—	3	—	—	—
<u>Engineering Charges</u>						
Engineering Fees	8,523	7,965	3,943	3,000	3,000	3,000
Transportation Permit	3,741	3,381	3,189	3,000	3,000	3,000
Encroachment Permits	4,483	9,623	4,711	4,000	4,000	4,000
WQMP	19,280	24,812	24,470	19,000	19,000	19,000
Total Engineering Charges	36,027	45,781	36,313	29,000	29,000	29,000
<u>Planning & Zoning Charges</u>						
Planning Fees	11,834	11,118	13,726	7,500	20,500	7,500
Environmental Fees/CEQA	831	941	871	1,000	1,000	1,000
Development Agreement	—	—	—	—	—	—
Site Plan Review	—	—	—	—	—	—
General Plan	24,016	48,835	11,511	10,000	10,000	10,000
Housing Administration	—	—	—	1,000	1,000	1,000
Special Events Fees	1,278	—	893	1,000	1,000	1,000
Public Notification Fee	701	820	480	500	—	—
Total Planning & Zoning Charges	38,660	61,714	27,481	21,000	33,500	20,500
<u>Building Regulation Charges</u>						
Building Plan Check Fees	308,979	260,912	228,754	210,000	294,900	274,900
SMIP	401	537	111	750	750	750
CASP Cert/Training	2,118	3,144	3,452	2,000	2,000	2,000
Building Standard Fee (CBSC)	215	272	151	350	350	350
Scanning	20,744	24,928	23,354	20,000	27,000	20,000
Code Enforcement Citations	10,733	26,069	11,808	12,500	12,500	12,500
Total Building Regulation Charges	343,190	315,862	267,630	245,600	337,500	310,500
Total Current Services Charges	417,895	423,357	331,427	295,600	400,000	360,000

CITY OF ALISO VIEJO

GENERAL FUND RESOURCES AND APPROPRIATIONS

FY 2023-2024

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Adopted Budget	2022-23 Adjusted Budget	2023-24 Proposed Budget
Other Revenue						
Miscellaneous Revenues						
Information Technology Fees	52,778	64,799	49,541	40,000	40,000	40,000
Miscellaneous Revenue	165,391	53,130	16,525	4,000	137,800	4,000
Administrative Revenue	27,287	26,277	4,080	22,000	22,000	22,000
Returned Check Charges	75	175	125	200	200	200
Total Miscellaneous Revenues	245,531	144,381	70,271	66,200	200,000	66,200
Total Other Revenue	245,531	144,381	70,271	66,200	200,000	66,200
City Hall						
Revenue-Use of Money & Property						
Rent-City Hall Lease	180,791	183,936	199,917	212,316	212,316	212,000
Total Rev-Use of Money & Property	180,791	183,936	199,917	212,316	212,316	212,000
Total City Hall	180,791	183,936	199,917	212,316	212,316	212,000
Recreation Services						
Revenue-Use of Money & Property						
Facility Rental	—	182,640	441,263	350,000	450,800	450,800
Other Income	7,226	26,723	58,810	15,000	60,000	60,000
Program Revenue	1,034	8,006	205	200	200	200
Contract Classes	71,291	296,723	651,471	365,000	455,000	555,000
City Camp Revenue	—	64,370	108,538	80,000	108,000	108,000
Refunds	500	1,732	8,470	3,000	6,000	6,000
Total Rev-Use of Money & Property	80,051	580,194	1,268,757	813,200	1,080,000	1,180,000
Other Revenue						
Farm Rental Revenue	—	—	—	—	20,000	20,000
Total Rev-Other Revenue	—	—	—	—	20,000	20,000
Total Recreation Services	80,051	580,194	1,268,757	813,200	1,100,000	1,200,000
Transfers In						
Interfund Transfers						
Interfund Transfers	441,359	633,214	3,348,755	3,209,387	3,209,387	585,028
Total Interfund Transfers	441,359	633,214	3,348,755	3,209,387	3,209,387	585,028
Total Transfers In	441,359	633,214	3,348,755	3,209,387	3,209,387	585,028
TOTAL RESOURCES	19,442,019	18,295,799	24,273,137	23,838,978	24,719,328	22,726,844

CITY OF ALISO VIEJO

GENERAL FUND RESOURCES AND APPROPRIATIONS

FY 2023-2024

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Adopted Budget	2022-23 Adjusted Budget	2023-24 Proposed Budget
APPROPRIATIONS						
Administrative Services						
<u>City Council</u>						
Personnel-Wages	31,200	31,586	31,200	31,200	31,200	31,200
Personnel-Benefits	124,117	134,056	137,340	141,735	141,735	141,735
Other Services	9,360	4,836	15,773	30,425	30,425	31,025
Supplies	59	453	449	1,400	1,400	1,400
Total City Council	164,736	170,931	184,762	204,760	204,760	205,360
<u>City Manager</u>						
Personnel-Wages	522,321	457,974	490,320	549,200	549,200	561,700
Personnel-Benefits	182,582	165,216	181,614	204,620	204,620	203,152
Professional & Technical Services	(1,106)	—	—	—	—	—
Other Services	9,622	4,905	12,611	17,295	18,095	17,445
Supplies	2,796	1,431	1,547	2,600	2,600	2,600
Total City Manager	716,215	629,526	686,092	773,715	774,515	784,897
<u>Human Resources</u>						
Personnel-Wages	94,882	142,371	107,964	131,026	117,026	128,330
Personnel-Benefits	23,146	58,699	33,211	54,910	54,910	38,976
Professional & Technical Services	11,111	4,922	7,917	6,000	6,000	9,001
Other Services	4,089	5,582	10,167	29,550	17,550	13,352
Supplies	975	721	1,988	2,300	2,300	1,300
Total Human Resources	134,203	212,295	161,247	223,786	197,786	190,959
<u>Government Services</u>						
Personnel-Wages	170,051	241,675	254,929	268,292	268,292	308,400
Personnel-Benefits	58,685	102,362	111,061	117,853	117,853	131,710
Professional & Technical Services	15,466	55,317	46,673	46,500	54,700	47,500
Other Services	3,027	43,371	9,509	95,320	95,320	15,640
Supplies	758	351	501	800	800	800
Contract Services	2,865	2,228	1,927	4,000	4,000	4,000
Total Government Services	250,852	445,304	424,600	532,765	540,965	508,050
<u>City Attorney</u>						
Professional & Technical Services	303,664	326,156	347,591	306,000	295,108	321,300
Other Services	127,113	41,735	275,404	159,000	269,892	166,250
Total City Attorney	430,777	367,891	622,995	465,000	565,000	487,550
<u>Finance</u>						
Personnel-Wages	495,190	463,555	382,278	527,050	527,050	456,000
Personnel-Benefits	183,598	172,731	150,532	211,445	211,445	202,105
Professional & Technical Services	105,603	135,628	130,832	198,820	198,820	183,170
Operating Expenditures	—	—	—	—	—	—
Other Services	8,007	5,221	3,088	9,580	9,580	9,080
Supplies	2,755	2,421	851	2,895	2,895	2,205
Total Finance	795,153	779,556	667,581	949,790	949,790	852,560
<u>Information Technology</u>						
Personnel-Wages	229,457	237,731	316,925	345,600	345,600	378,900
Personnel-Benefits	88,464	94,814	136,629	143,346	143,346	150,300
Professional & Technical Services	132,540	191,108	198,147	174,050	174,050	221,350
Operating Expenditures	246,932	204,552	204,361	354,428	365,228	336,262
Other Services	779	1,559	8,181	11,560	11,560	11,560
Supplies	2,688	1,434	715	4,750	4,750	7,750
Total Information Technology	700,860	731,198	864,958	1,033,734	1,044,534	1,106,122

CITY OF ALISO VIEJO

GENERAL FUND RESOURCES AND APPROPRIATIONS

FY 2023-2024

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Adopted Budget	2022-23 Adjusted Budget	2023-24 Proposed Budget
<u>Non-Departmental</u>						
Professional & Technical Services	88,347	30,451	23,535	41,140	47,440	41,141
Operating Expenditures	51,595	50,454	61,980	85,020	80,020	95,585
Other Services	279,301	299,057	358,252	433,180	438,180	501,636
Supplies	38,124	15,977	28,943	39,580	53,580	31,281
Total Non-Departmental	457,367	395,939	472,710	598,920	619,220	669,643
Total Administrative Services	3,650,163	3,732,640	4,084,945	4,782,470	4,896,570	4,805,141
<u>Community Services</u>						
<u>Community Services Administration</u>						
Personnel-Wages	135,908	140,345	70,808	—	—	—
Personnel-Benefits	55,081	61,459	38,003	—	—	3,720
Operating Expenditures	—	—	—	—	—	—
Other Services	372,793	270,685	347,488	472,379	466,079	305,896
Supplies	1,111	2,434	204	2,000	2,000	2,000
Total Community Services Admin	564,893	474,923	456,503	474,379	468,079	311,616
<u>Iglesia Park</u>						
Operating Expenditures	132,099	155,729	147,702	184,249	179,249	180,750
Total Iglesia Park	132,099	155,729	147,702	184,249	179,249	180,750
<u>Iglesia Building</u>						
Professional & Technical Services	3,514	2,920	2,973	1,800	1,800	1,800
Operating Expenditures	37,056	38,692	40,378	52,045	57,045	57,000
Total Iglesia Building	40,570	41,612	43,351	53,845	58,845	58,800
<u>Iglesia Park Community Center</u>						
Personnel-Wages	—	—	—	—	—	—
Personnel-Benefits	—	—	—	—	—	—
Other Services	157,500	157,500	157,500	177,500	177,500	177,500
Supplies	—	—	—	—	—	—
Center	157,500	157,500	157,500	177,500	177,500	177,500
<u>Recreation Services</u>						
Personnel-Wages	242,755	301,569	523,980	987,700	987,700	772,100
Personnel-Benefits	99,561	133,100	191,566	287,950	287,950	278,906
Professional & Technical Services	116,634	109,070	405,834	332,869	332,869	442,445
Operating Expenditures	13,456	134,398	368,483	370,940	370,940	407,240
Supplies	9,231	17,125	29,089	36,500	36,500	40,500
Total Recreation Services	481,637	695,262	1,518,952	2,015,959	2,015,959	1,941,191
Total Community Services	1,376,699	1,525,026	2,324,008	2,905,932	2,899,632	2,669,857
<u>Community Development</u>						
<u>Planning</u>						
Personnel-Wages	490,469	484,377	512,743	566,494	446,494	412,925
Personnel-Benefits	182,463	187,688	187,731	218,186	210,180	160,410
Professional & Technical Services	82,484	53,845	74,472	75,000	263,006	168,000
Other Services	152,538	(4,316)	33,258	211,200	211,200	87,100
Supplies	2,068	2,857	776	13,400	3,400	2,500
Contract Services	—	50,985	12,305	215,000	180,000	100,000
Total Planning	910,022	775,436	821,285	1,299,280	1,314,280	930,935
<u>Building</u>						
Personnel-Wages	21,541	73,971	77,459	85,170	85,170	173,585
Personnel-Benefits	9,231	32,213	33,793	35,550	35,550	70,935
Other Services	14,960	25,774	(632)	31,500	21,500	19,000
Supplies	1,364	1,161	1,016	4,000	4,000	4,000
Contract Services	515,206	553,487	453,900	515,000	515,000	515,000
Total Building	562,302	686,606	565,536	671,220	661,220	782,520

CITY OF ALISO VIEJO

GENERAL FUND RESOURCES AND APPROPRIATIONS

FY 2023-2024

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Adopted Budget	2022-23 Adjusted Budget	2023-24 Proposed Budget
<u>Code Enforcement</u>						
Supplies	241	667	—	1,000	1,000	1,000
Contract Services	82,260	97,471	84,369	105,000	100,000	102,000
Total Code Enforcement	82,501	98,138	84,369	106,000	101,000	103,000
<u>Economic Development</u>						
Professional & Technical Services	83,955	819,163	63,777	40,000	40,000	55,000
Other Services	35,000	14,915	9,800	26,800	26,800	2,000
Contract Services	376,030	253,432	407,867	400,000	400,000	685,000
Total Economic Development	494,985	1,087,510	481,444	466,800	466,800	742,000
Total Community Development	2,049,810	2,647,690	1,952,634	2,543,300	2,543,300	2,558,455
<u>Public Works</u>						
<u>Engineering (General)</u>						
Personnel-Wages	366,244	405,397	415,019	569,000	569,000	575,320
Personnel-Benefits	113,197	127,033	130,577	186,505	186,505	189,610
Professional & Technical Services	—	74,278	2,117	—	—	—
Operating Expenditures	12,420	12,420	12,420	13,000	13,000	14,500
Other Services	157,758	175,916	182,395	226,450	206,450	225,400
Supplies	7,855	3,330	2,144	5,500	5,900	4,500
Contract Services	470,640	518,079	531,249	516,201	486,201	421,500
Total Engineering (General)	1,128,114	1,316,453	1,275,921	1,516,656	1,467,056	1,430,830
<u>Traffic Engineering</u>						
Contract Services	356	—	—	—	—	—
Total Traffic Engineering	356	—	—	—	—	—
<u>Street Maintenance</u>						
Contract Services	401,540	472,214	543,051	433,700	443,700	443,700
Total Street Maintenance	401,540	472,214	543,051	433,700	443,700	443,700
Total Public Works	1,530,010	1,788,667	1,818,972	1,950,356	1,910,756	1,874,530
<u>Public Safety</u>						
<u>Law Enforcement-Contract</u>						
Professional & Technical Services	8,454,085	8,404,279	8,659,399	9,917,083	9,877,584	9,468,817
Total Law Enforcement-Contract	8,454,085	8,404,279	8,659,399	9,917,083	9,877,584	9,468,817
<u>Law Enforcement-Other</u>						
Operating Expenditures	17,521	6,178	3,545	5,000	5,000	5,000
Other Services	27,731	37,276	29,986	39,700	39,700	37,180
Supplies	7,609	6,173	11,249	9,725	9,725	11,725
Contract Services	129,477	199,304	215,244	209,732	241,031	256,266
Public Safety Equipment	64,307	41,870	2,205	32,130	32,130	—
Total Law Enforcement-Other	246,645	290,801	262,229	296,287	327,586	310,171
<u>Crime Prevention</u>						
Personnel-Wages	11,319	16,797	12,452	36,270	36,270	—
Personnel-Benefits	333	388	1,372	3,400	3,400	—
Operating Expenditures	4,680	4,680	4,425	4,860	4,860	4,860
Other Services	542	999	—	2,000	2,000	2,000
Supplies	4,619	4,143	3,191	4,000	4,000	4,000
Total Crime Prevention	21,493	27,007	21,440	50,530	50,530	10,860
<u>Animal Control</u>						
Contract Services	332,103	337,073	376,235	442,676	442,676	474,500
Total Animal Control	332,103	337,073	376,235	442,676	442,676	474,500

CITY OF ALISO VIEJO

GENERAL FUND RESOURCES AND APPROPRIATIONS

FY 2023-2024

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Adopted Budget	2022-23 Adjusted Budget	2023-24 Proposed Budget
<u>Emergency Operations Center</u>						
Personnel-Wages	—	—	—	—	—	26,250
Personnel-Benefits	—	—	—	—	—	2,550
Professional Services	—	—	2,500	—	—	8,000
Rent	—	2,573	2,985	2,760	2,760	2,760
Other Services	644	826	1,009	1,640	1,640	1,640
Supplies	18,385	40,570	14,728	30,500	30,500	25,500
Total Emergency Operations Center	19,029	43,969	21,222	34,900	34,900	66,700
Total Public Safety	9,073,355	9,103,129	9,340,525	10,741,476	10,733,276	10,331,048
<u>Transfers Out</u>						
<u>Transfers Out</u>						
Transfers Out (COP)	—	—	—	—	657,050	658,250
Transfers Out (CIP)	1,208,299	5,143,527	1,082,257	633,740	564,000	573,000
Transfers Out	1,208,299	5,143,527	1,082,257	633,740	192,740	183,840
Total Transfers Out	1,208,299	5,143,527	1,082,257	633,740	1,413,790	1,415,090
<u>City Hall</u>						
<u>City Hall</u>						
Professional & Technical Services	16,061	13,045	5,791	5,000	5,000	5,000
Operating Expenditures	156,045	171,255	191,229	210,265	250,265	234,880
Others Services	695	1,183	1,923	600	600	600
Capital Outlay	7,290	9,236	22,134	5,001	5,001	5,001
Total City Hall	180,091	194,719	221,077	220,866	260,866	245,481
<u>Transfers Out</u>						
Transfers Out	—	—	—	—	—	—
Total Transfers Out	—	—	—	—	—	—
Total City Hall	180,091	194,719	221,077	220,866	260,866	245,481
TOTAL APPROPRIATIONS	19,068,427	24,135,397	20,824,132	23,778,140	24,658,190	23,899,602
Resources over/(under) Appropriations	373,592	(5,839,598)	3,449,005	60,838	61,138	(1,172,758)
Beginning Fund Balance	32,597,173	32,970,765	27,131,163	30,580,168	30,580,168	30,641,306
GF Reserves (COP)	—	—	—	(657,050)	—	(658,250)
GF Reserves (CIP)	—	—	—	—	—	(573,000)
Projected Ending Fund Balance	32,970,765	27,131,163	30,580,168	29,983,956	30,641,306	29,468,548

CITY OF ALISO VIEJO
CAPITAL IMPROVEMENT PLAN
FY 2023-24

Proj. #	Project Description	Total Cost	General Fund	TCRF	M2 Fairshare	Meas. M Comp.	Gas Tax	SB1	Federal Grants	State Grants/ Other	Technology Fund	Reimbursements From Other Govts	Beverage Container	Community Enhancement
Traffic Management/Safety Projects (311-8201)														
130	Aliso Creek Road RTSSP	175,000			175,000									
	Total	175,000	-	-	175,000	-	-	-	-	-	-	-	-	-
Proj. #	Project Description	Total Cost	General Fund	TCRF	M2 Fairshare	Meas. M Comp.	Gas Tax	SB1	Federal Grants	State Grants/ Other*	Technology Fund	Reimbursements From Other Govts	Beverage Container	Community Enhancement
Street Improvement Projects (311-8301)														
125	Glenwood Rehab - SR73 to Aliso Creek	60,000						60,000						
128	Enterprise Rehab - Aliso Creek to Aliso Viejo Pkwy	1,435,000						1,435,000						
134	Aliso Creek Rehab - Enterprise to SR73	870,000			870,000									
	Total	2,365,000	-	-	870,000	-	-	1,495,000	-	-	-	-	-	-
Proj. #	Aliso Creek Rehab - Enterprise to SR73	Total Cost	General Fund	TCRF	M2 Fairshare	Meas. M Comp.	Gas Tax	SB1	Federal Grants	State Grants/ Other	Technology Fund	Reimbursements From Other Govts	Beverage Container	Community Enhancement
Capital Improvements (331-8701)														
	IT Server Equipment	75,000	75,000											
104	ADA Improvements	318,288	-						318,288					
	City Hall Improvements	376,160	188,000						188,160					
063	City Hall HVAC Replacement	226,160	113,000						113,160					
057	City Hall Landscaping Improvements	150,000	75,000						75,000					
118	Aquatic Center Improvements	295,000	295,000											
118	Kiddie Pool/Spa Plaster	20,000	20,000											
118	Pool Deck Coating	275,000	275,000											
	Total	1,064,448	558,000	-	-	-	-	-	506,448	-	-	-	-	-
Proj. #	Project Description	Total Cost	General Fund	TCRF	M2 Fairshare	Meas. M Comp.	Gas Tax	SB1	Federal Grants	State Grants/ Other**	Technology Fund	Reimbursements From Other Govts	Beverage Container	Community Enhancement
Stormwater Improvements (332-8601)														
030	Wetlands Monitoring Project	5,000	5,000											
091	Dairy Fork Wetland Project	10,000	10,000											
	Total	15,000	15,000	-	-	-	-	-	-	-	-	-	-	-
GRAND TOTAL		3,619,448	573,000	-	1,045,000	-	-	1,495,000	506,448	-	-	-	-	-

CITY OF ALISO VIEJO
CAPITAL IMPROVEMENT PLAN
FY 2023-24

	Total	5101 Planning	5501 Design	5601 Const. Mgmt	5701 Construction	5702 Contra-Expense	5901 Contingency	5910 Improvements	5911 Rehabilitation
Transfer Detail									
Traffic Management/Safety Projects (311-4-8201)									
130 Aliso Creek Road RTSSP	175,000				175,000				
	175,000	-	-	-	175,000	-	-	-	-
Street Improvement Projects (311-4-8301)									
125 Glenwood Rehab -SR73 to Aliso Creek	60,000		60,000						
128 Enterprise Rehab - Aliso Creek to Aliso Viejo Pkwy	1,435,000			115,000	1,200,000		120,000		
134 Aliso Creek Rehab - Enterprise to SR73	870,000			100,000	650,000		120,000		
Total	2,365,000	-	60,000	215,000	1,850,000	-	240,000	-	-
Capital Improvements (331-4-8701)									
IT Server Equipment	75,000							75,000	
104 ADA Improvements	318,288	-		55,000			26,320	236,968	
City Hall Improvements	376,160							376,160	
063 City Hall HVAC Replacement	226,160							226,160	
057 City Hall Landscaping Improvements	150,000							150,000	
118 Aquatic Center Improvements	295,000							295,000	
118 Kiddie Pool/Spa Plaster	20,000							20,000	
118 Pool Deck Coating	275,000							275,000	
Total	1,064,448	-	-	55,000	-	-	26,320	983,128	-
Stormwater Improvements (332-4-8601)									
030 Wetlands Monitoring Project	5,000	-	-	-	-		-	-	5,000
091 Dairy Fork Wetland Project	10,000	-	-	-	-		-	-	10,000
Total	15,000	-	-	-	-	-	-	-	15,000
GRAND TOTAL	3,619,448	-	60,000	270,000	2,025,000	-	266,320	983,128	15,000



Fiscal Year 2023-24 Draft Annual Budget

May 17, 2023

City Council

FY 2023-24 General Fund Estimated Revenues

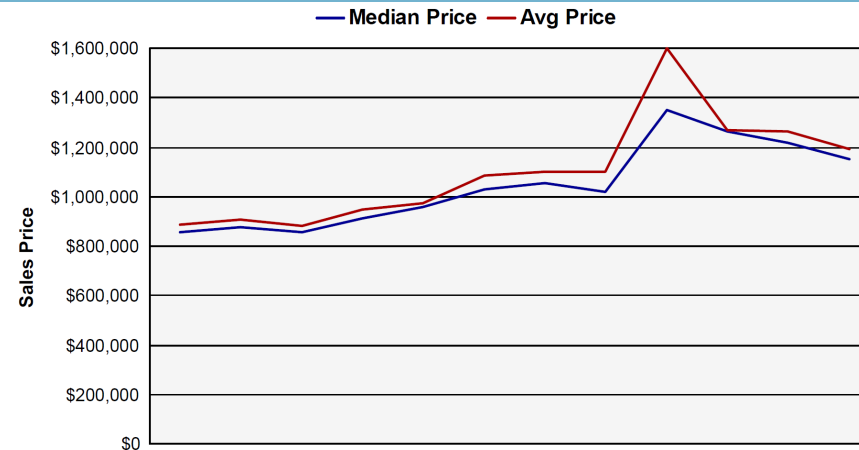
- **Property Tax - \$9.7M**

- Higher interest rates
- Decrease in sale activity
- Lower median home prices
- Valuation appeals

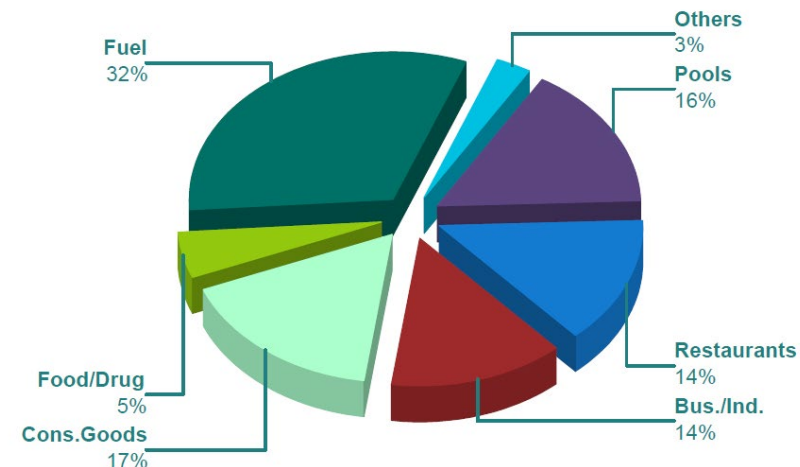
- **Sales Tax - \$6.0M**

- Growth is flat
- Inflation slowing
- Gas price decreases

AV Detached Single Family Residential

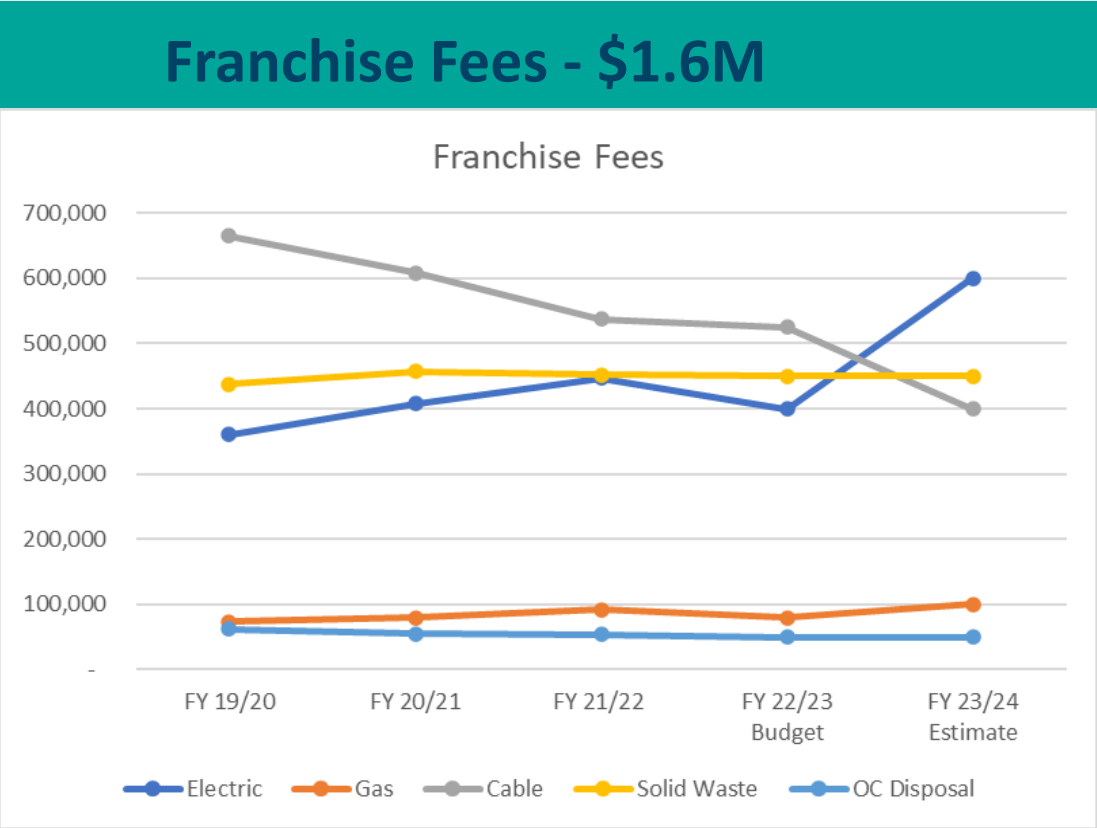
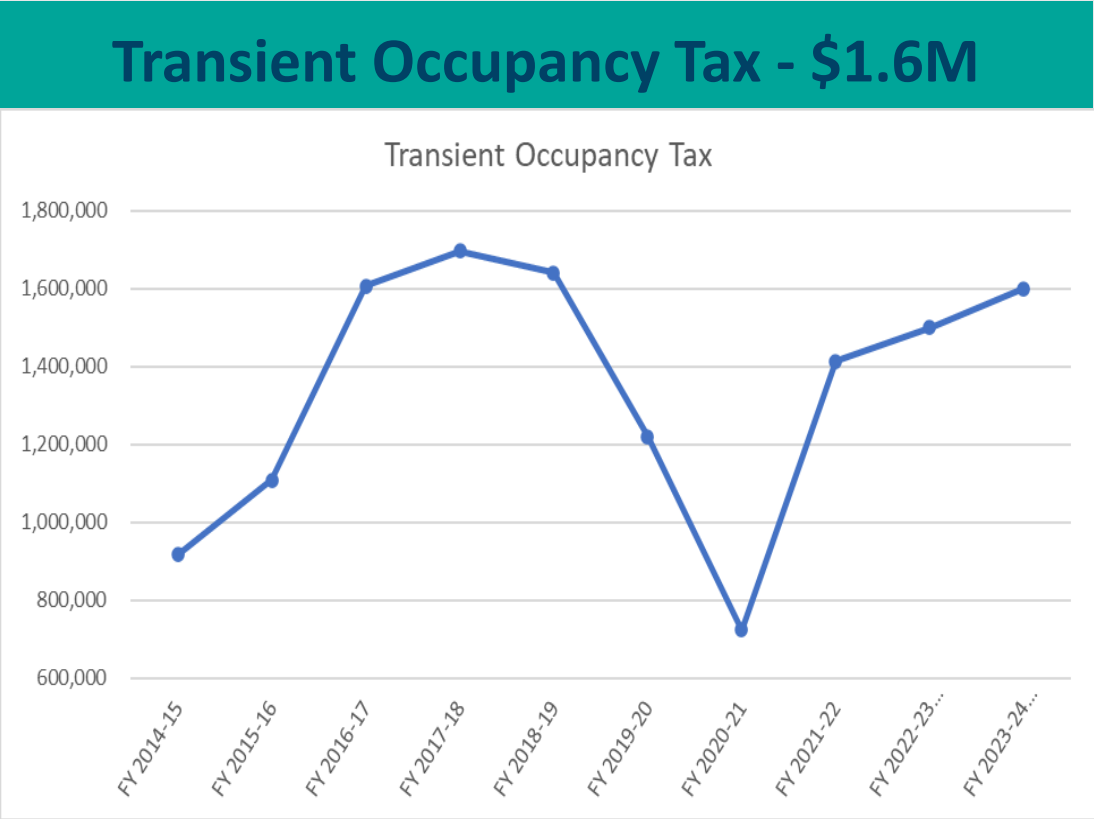


Revenue By Business Group – Q3 '2022



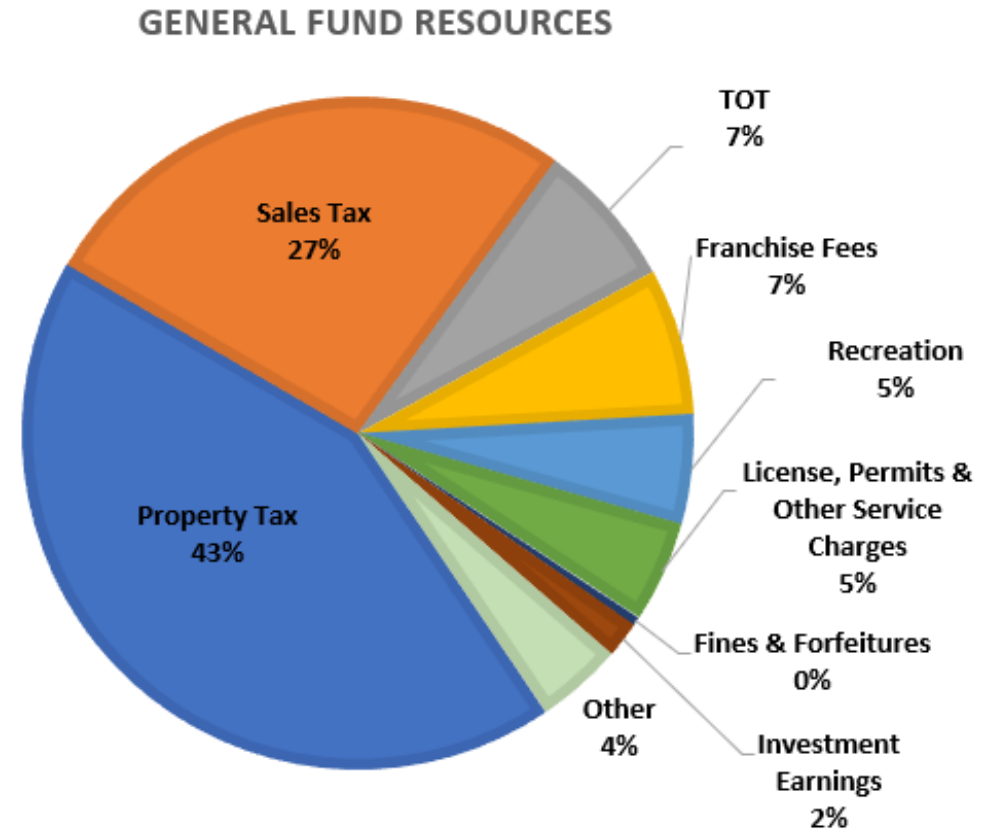
Source: HDL

FY 2023-24 General Fund Estimated Revenues



FY 2023-24 General Fund Estimated Revenues

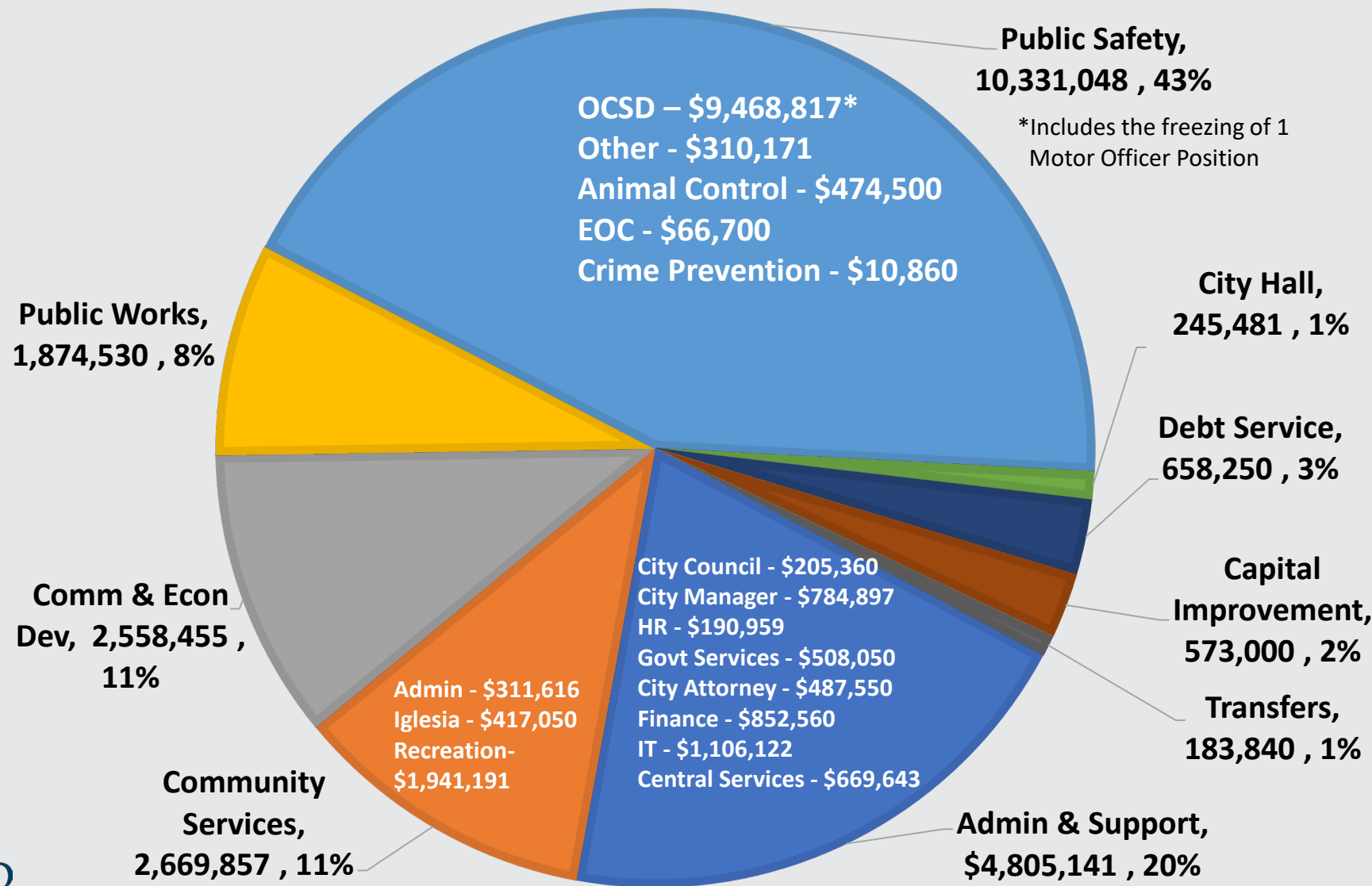
General Fund Source	FY 2021-2022 Actual	FY 2022-2023 Adjusted Budget	FY 2023-2024 Draft Budget	Annual Change
Property Tax	9,211,738	9,302,000	9,731,500	429,500
Sales Tax	6,117,932	6,102,950	6,050,641	(52,309)
TOT	1,413,074	1,500,000	1,600,000	100,000
Franchise Fees	1,636,741	1,505,000	1,600,000	95,000
Recreation	1,268,756	1,100,000	1,200,000	100,000
License, Permits & Other Service Charges	1,095,133	1,100,000	1,100,000	-
Fines & Forfeitures	173,133	100,000	133,800	33,800
Investment Earnings	(318,666)	300,000	400,000	100,000
Other	3,675,291	3,709,378	910,903	(2,798,475)
Total Resources	24,273,132	24,719,328	22,726,844	(1,992,484)



FY 2023-24 General Fund Appropriations

General Fund Appropriations	FY 2021-2022 Actual	FY 2022-2023 Adjusted Budget	FY 2023-2024 Draft Budget	Annual Change
Admin & Support	\$ 4,084,654	\$ 4,896,970	\$ 4,805,141	\$ (91,829)
Community Services	2,324,010	2,899,632	2,669,857	(229,775)
Comm & Econ Dev	1,952,632	2,543,300	2,558,455	15,155
Public Works	1,818,972	1,910,356	1,874,530	(35,826)
Public Safety	9,340,524	10,733,276	10,331,048	(402,228)
City Hall	221,078	260,866	245,481	(15,385)
Debt Service	654,436	657,050	658,250	1,200
Capital Improvement	319,433	564,000	573,000	9,000
Transfers	108,388	192,740	183,840	(8,900)
Total General Fund	\$ 20,824,127	\$ 24,658,190	\$ 23,899,602	\$ (758,588)

FY 2023-24 General Fund Appropriations



FY 2023-24 General Fund Expenditures

- Cost of Living Adjustment of 5% - \$197,500
- CalPERS Unfunded Pension Liability - \$87,004
- Insurance premiums – \$403,642, 22% increase
- Utilities – \$221,500, 6% increase
- Increase to sales tax subsidy – \$638,000, 29% increase
- Street maintenance (MOE) – \$556,162
- Budget reductions across all departments
- Freezing of 1 Motor Officer Position – (\$300,000)

To Be Determined – Contract with OCSD

FY 2023-24 Capital Improvement Program

- **City Hall HVAC Replacement - \$226,160**
 - \$113,160 – Energy Efficiency and Conservation Block Grant
 - \$113,000 – General Fund (50% match)
- **City Hall Landscaping Improvements -\$150,000**
 - \$75,000 – WaterSmarts Grant
 - \$75,000 – General Fund (50% match)
- **AV Aquatic Center**
 - Pool Deck - \$275,000*
 - Kiddie Pool/Spa Plaster – \$20,000
- **Storm Water Improvements - \$15,000**
- **IT Server Equipment - \$75,000**

*Further evaluation pending

Total General Fund - \$573,000

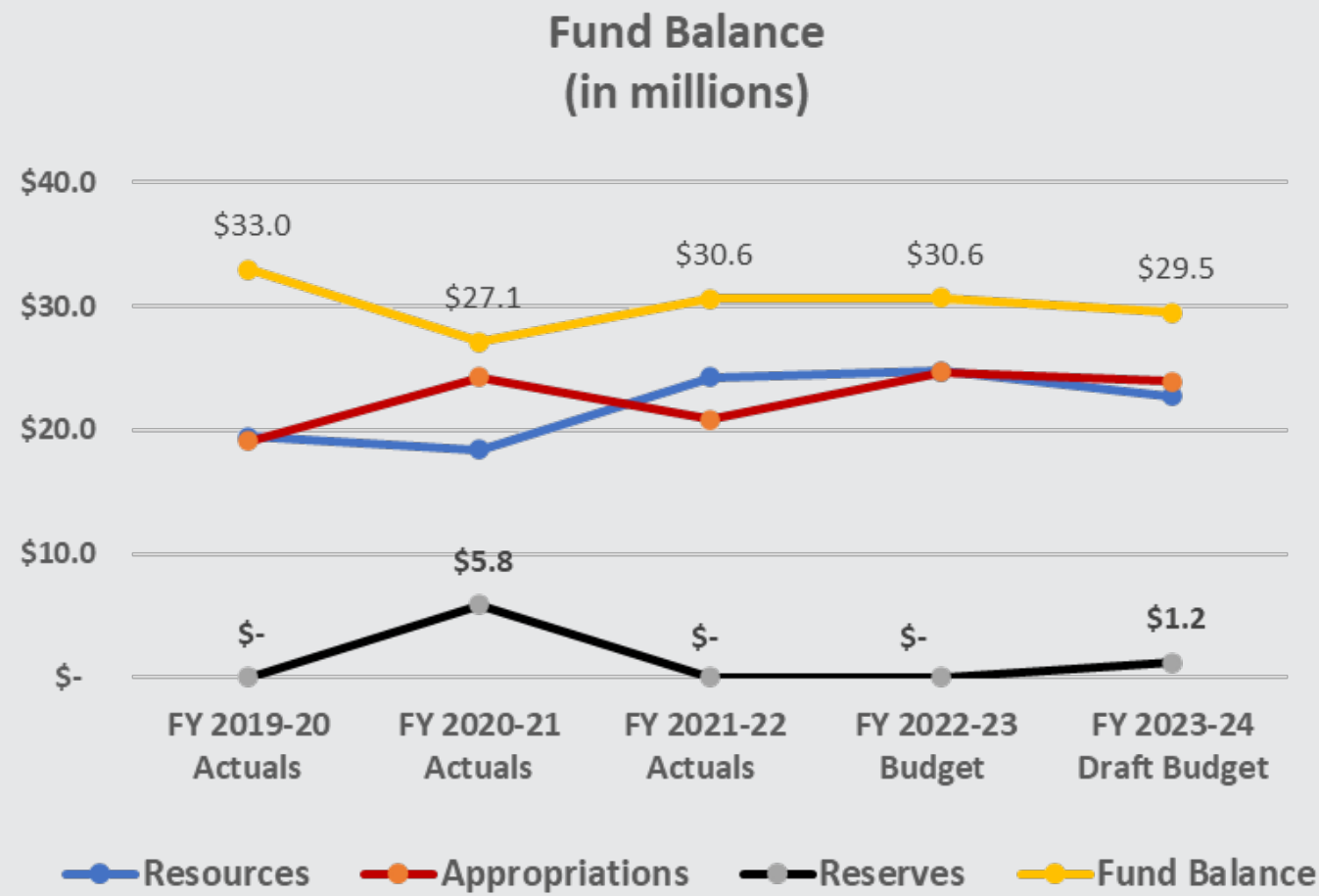
FY 2023-24 General Fund Balance

FY 2023-24 General Fund Budget Summary

Estimated Beginning Fund Balance		\$ 30,641,306
Resources	22,726,844	
Appropriations*	<u>(23,899,602)</u>	
Estimated Year-End Surplus (Deficit)		\$ (1,172,758)
Use of Reserves - Debt Service	658,250	
Use of Reserves - CIP	<u>573,000</u>	
Total Use of Reserves		
Estimated Ending Fund Balance		<u><u>\$ 29,468,548</u></u>

* Does not include potential increases to OCSD Contract

FY 2023-24 General Fund Balance

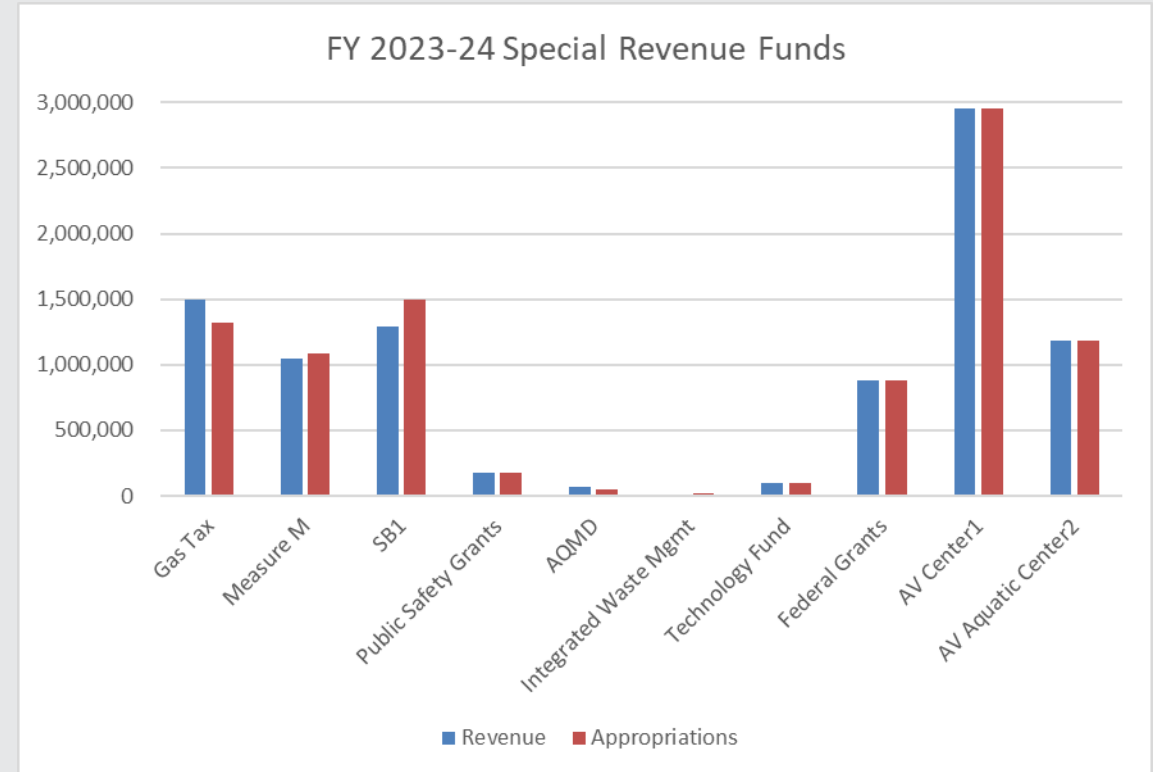


FY 2023-24 Special Revenue Funds

- Traffic Congestion Relief
- Gas Tax & SB1 (Road Maintenance Rehabilitation Account)
- Measure M
- Public Safety Grants
- AQMD
- Integrated Waste Management
- Technology Fund
- Federal Grants
- Aliso Viejo Center & Aliso Viejo Aquatic Center

FY 2023-24 Special Revenue Funds

Fund	Revenue	Appropriations
Traffic Congestion Relief	\$ 1,000	\$ -
Gas Tax	1,492,900	1,321,800
Measure M	1,045,512	1,082,578
SB1	1,291,695	1,495,000
Public Safety Grants	176,700	175,043
AQMD	73,000	50,000
Integrated Waste Mgmt	14,000	16,000
Technology Fund	98,900	92,880
Federal Grants	877,535	877,535
AV Center ¹	2,956,835	2,956,835
AV Aquatic Center ²	1,181,840	1,181,840
Total	\$ 9,209,917	\$ 9,249,511



¹AV Center Appropriations includes \$585,028 to the General Fund

²AV Aquatic Center Revenue includes \$183,840 transfer from the General Fund

FY 2023-24 Capital Improvement Program

- **Traffic Safety**

- Aliso Creek Road Traffic Signal Synchronization Project - \$175,000

- **Street Rehabilitation**

- Glenwood (SR73 to Aliso Creek) - \$60,000
- Enterprise (Aliso Creek to Aliso Viejo Parkway) - \$1,435,000
- Aliso Creek (Enterprise to SR73) - \$870,000

- **Facility Improvements**

- ADA Improvements - \$318,288
- City Hall Landscaping Improvements - \$150,000
- City Hall HVAC Replacement - \$226,160

Total CIP (including General Fund) - \$3,619,448

Questions?