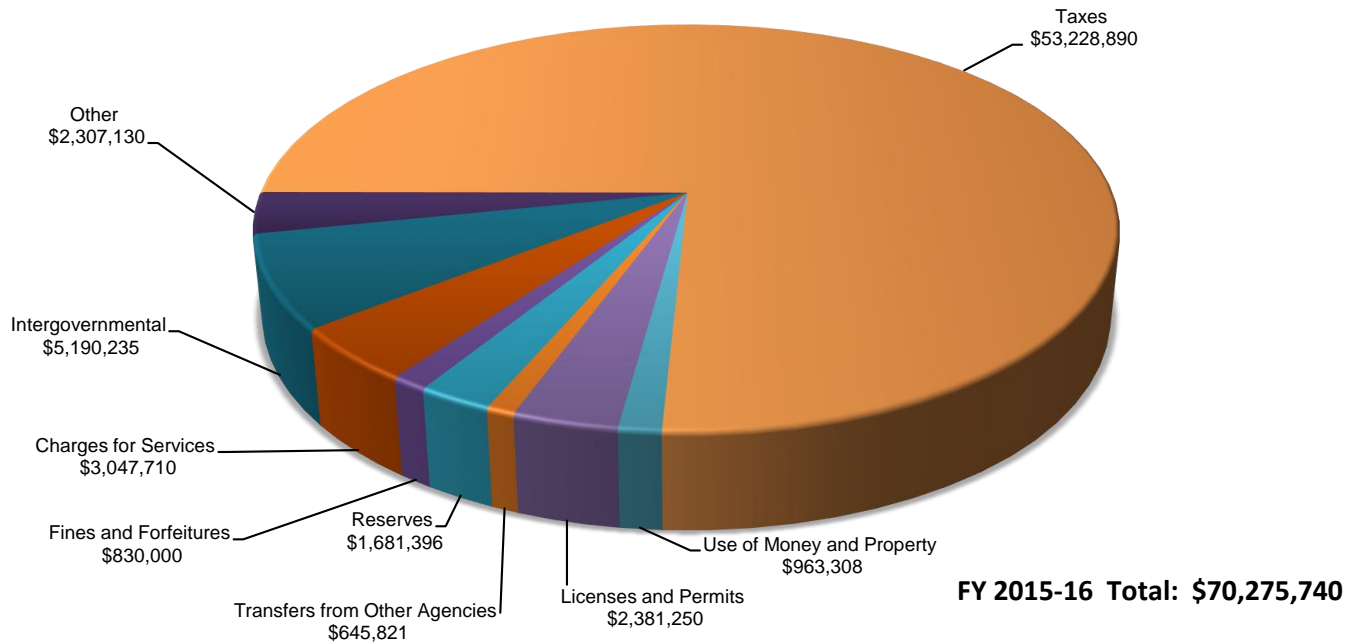


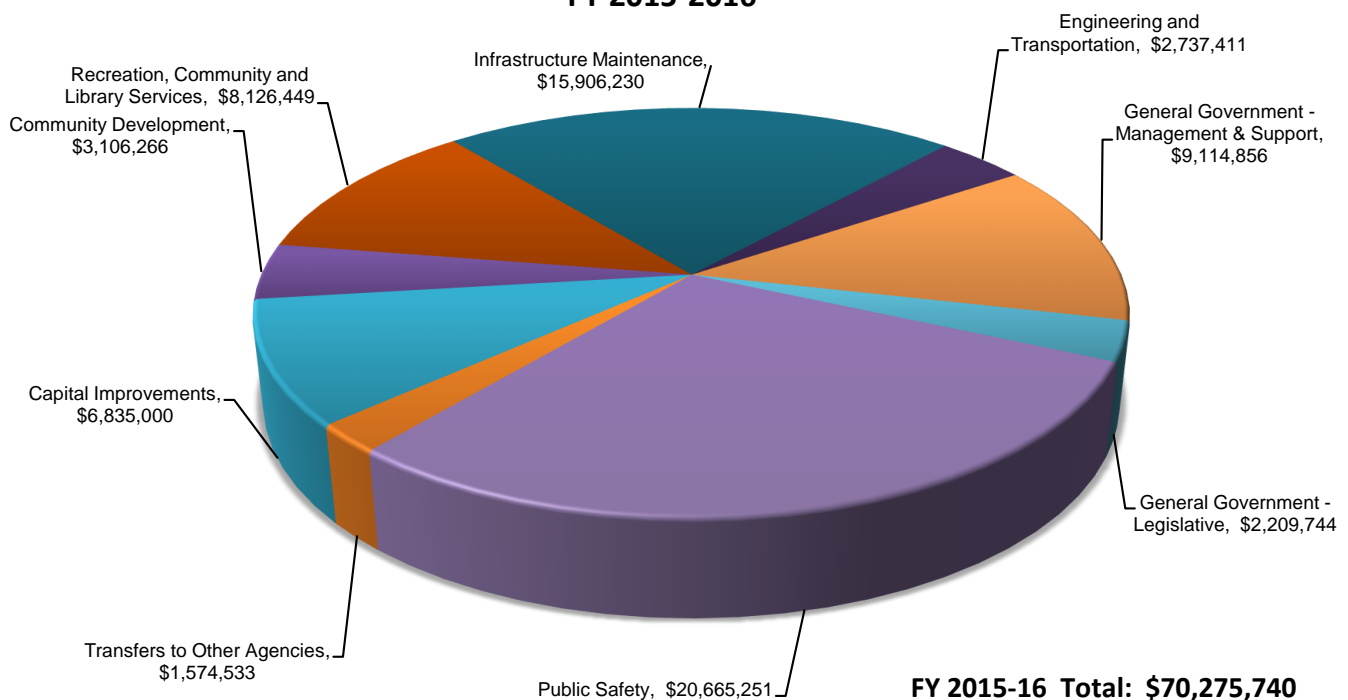


**2015-2017 Budget  
Funding Sources and Uses**

**Where the Money Comes From  
FY 2015-2016**



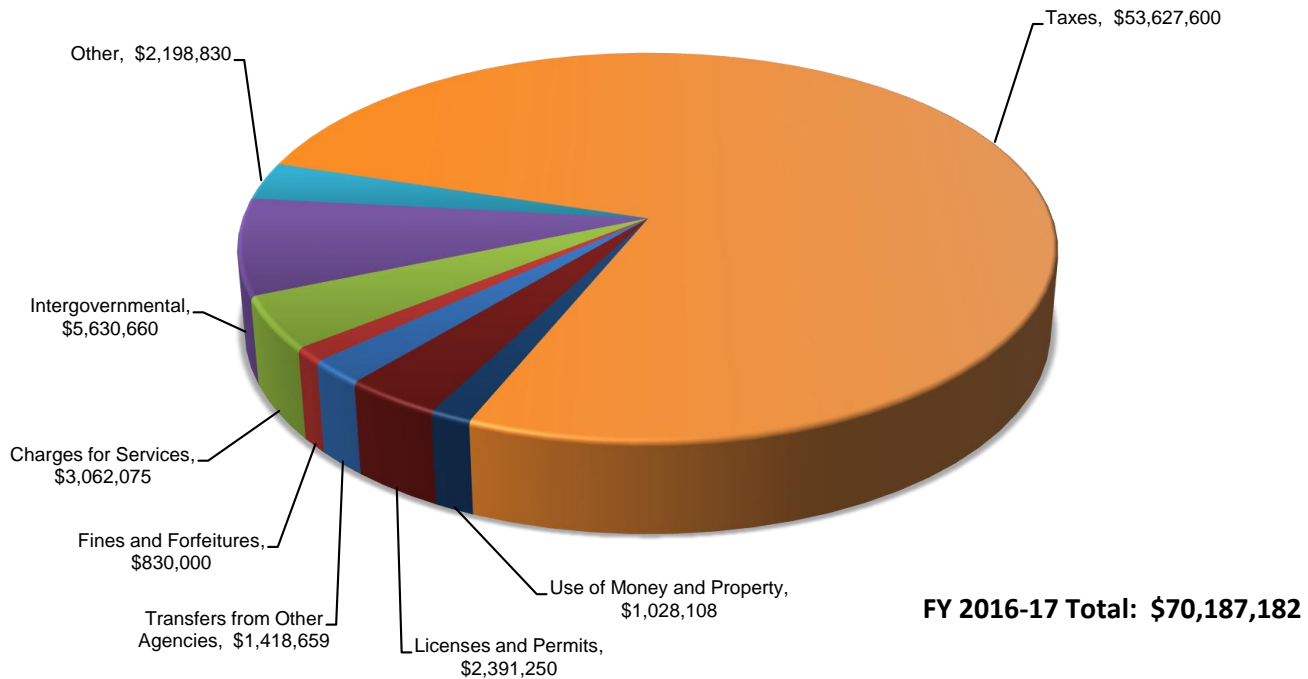
**Where the Money Goes  
FY 2015-2016**



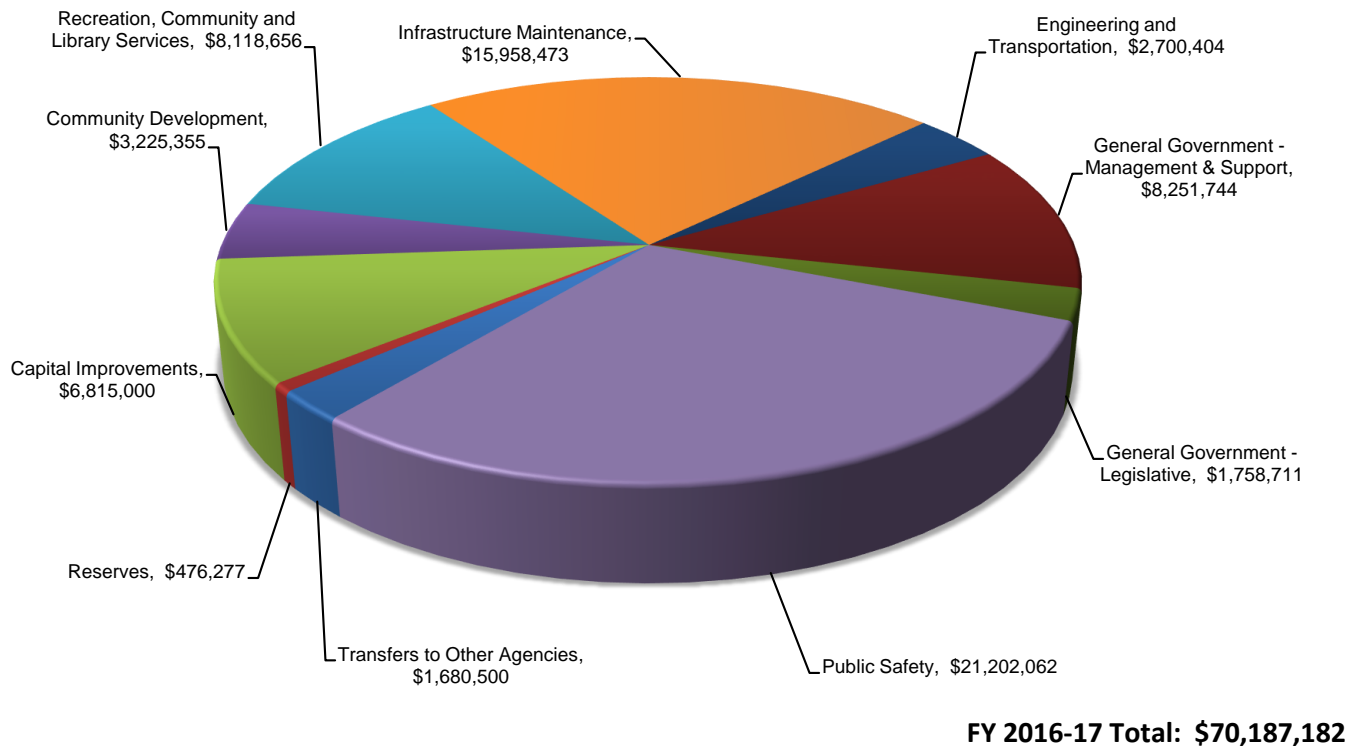


**2015-2017 Budget  
Funding Sources and Uses**

**Where the Money Comes From  
FY 2016-2017**



**Where the Money Goes  
FY 2016-2017**





**2015-2017 Budget**  
**Budget by Fund and Fund Balances**

**FY 2015/16**

<b>Fund #</b>	<b>Fund Description</b>	<b>Estimated Fund Balance 06/30/2015</b>	<b>Estimated Revenues</b>	<b>Operating Budget</b>	<b>Capital Improvement Budget</b>	<b>Total Budget</b>	<b>Interagency / Interfund Transfers</b>	<b>Contribution (from) / to Reserves</b>	<b>Estimated Fund Balance 06/30/16</b>
101	General Fund	12,217,005	55,080,955	53,707,309	700,000	54,407,309	(684,995)	(11,349)	12,205,656
109	Successor Agency Admin Fund	-	-	79,921	-	79,921	79,921	-	-
180	Computer/Equip/Furn/Veh Repl	2,770,335	-	496,000	-	496,000	-	(496,000)	2,274,335
190	Facility Rehab/Replacement	13,315,905	-	-	-	-	-	-	13,315,905
		<b>28,303,245</b>	<b>55,080,955</b>	<b>54,283,230</b>	<b>700,000</b>	<b>54,983,230</b>	<b>(605,074)</b>	<b>(507,349)</b>	<b>27,795,896</b>
201	Library Fund	324,987	2,746,800	3,413,045	-	3,413,045	666,245	-	324,987
202	Suppl Law Enforcement Svcs Fd	-	150,000	150,000	-	150,000	-	-	-
211	State Gas Tax Fund	1,281,404	2,120,960	412,000	2,353,960	2,765,960	-	(645,000)	636,404
212	Gas Tax - 2107.5 Fund	28,860	10,000	16,913	-	16,913	-	(6,913)	21,947
218	Crown Valley Corridor Fee Fund	23,442	-	-	-	-	-	-	23,442
219	Air Quality Imprvmnt Trust Fd	164,321	119,400	47,070	170,000	217,070	-	(97,670)	66,651
225	Sr Center Operations Fund*	-	-	-	-	-	-	-	-
245	Park Development Fees Fund	4,424,993	1,000,000	-	1,200,000	1,200,000	-	(200,000)	4,224,993
260	Comm Development Block Grant	-	554,479	345,694	213,000	558,694	-	(4,215)	(4,215)
262	SCRIP Fund	(1,138,466)	600,000	-	600,000	600,000	-	-	(1,138,466)
267	Measure M 2 SlsTx-Apprtnmt Fd	(805,257)	1,570,196	-	1,358,040	1,358,040	-	212,156	(593,101)
275	Measure M2 EnvCleanupProg (ECP)	-	200,000	-	200,000	200,000	-	-	-
277	OC Muni Water District Grant	-	40,000	-	40,000	40,000	-	-	-
278	Senior Mobility/OCTA Transport Grant*	62,714	114,000	114,000	-	114,000	-	-	62,714
279	M2 Arterial Pavement Management (APM)	-	-	-	-	-	-	-	-
343	MV Mall Parking Lease Fund	7,616	1,574,533	-	-	-	(1,574,533)	-	7,616
510	Mission Viejo Television Fund	51,486	276,500	275,372	-	275,372	-	1,128	52,614
511	Mission Viejo TV Capital Fund	619,802	314,500	685,000	-	685,000	-	(370,500)	249,302
560	Animal Services Fund	2,696,362	1,476,200	2,123,883	-	2,123,883	584,650	(63,033)	2,633,329
	<b>Total All Funds</b>	<b>36,045,509</b>	<b>67,948,523</b>	<b>61,866,208</b>	<b>6,835,000</b>	<b>68,701,207</b>	<b>(928,712)</b>	<b>(1,681,396)</b>	<b>34,364,113</b>

\*Fund Balance from 225 transferred to 278



**2015-2017 Budget  
Discretionary Reserves\***

**FY 2015/16**

General Fund Group	Projected Balance 06/30/2015	Current Revenues Less Expenditures	Interfund Transfers	Other Adjustments	Projected Balance 06/30/2016
<b><i>Designated Reserves/Fund Balances</i></b>					
General Fund Unfunded Liabilities	500,000	-	-	-	500,000
Computers, Equipment, Furnishings, Vehicles (CEFV) Replacement Fund	2,770,335	(496,000)	-	-	2,274,335
Facility Rehabilitation and Replacement Fund	13,315,905	-	-	-	13,315,905
<b>Total Designated Reserves/Fund Balance</b>	<b>16,586,240</b>	<b>(496,000)</b>	<b>-</b>	<b>-</b>	<b>16,090,240</b>
<b><i>Undesignated Reserves/Fund Balances</i></b>					
General Fund Contingency Reserve	7,986,171	-	-	275,972	8,262,143
% of General Fund Revenues	15%				15%
Unappropriated Fund Balance	3,192,299	673,646	(684,995)	(2,864)	3,178,086
<b>Total Undesignated Reserves/Fund Balances</b>	<b>11,178,470</b>	<b>673,646</b>	<b>(684,995)</b>	<b>273,108</b>	<b>11,440,229</b>
<b>Grand Total, Discretionary Reserves</b>	<b>27,764,710</b>	<b>177,646</b>	<b>(684,995)</b>	<b>273,108</b>	<b>27,530,469</b>
% of General Fund Revenues	52%				50%

\*Discretionary Reserves represent designated and undesignated fund balances from the General Fund group only (General Fund and both asset replacement funds).



**2015-2017 Budget  
Interagency/Interfund Transfers**

**FY 2015/16**

In / (Out) Fund	(1) Funding of Asset Replacement Funds	(2) Mall Bond Rolling Reserve Release	(3) Mall Sales Tax Pledged to Bonds	(4) Library Subsidy	(5) Animal Services Subsidy	(6) SA Admin Costs	Total Interagency /Interfund Transfers
General Fund	-	565,900	-	(666,245)	(584,650)	-	(684,995)
Successor Agency Admin	-	-	-	-	-	79,921	79,921
Computers, Equipment, Furnishings, Vehicles (CEFV)	-	-	-	-	-	-	-
Facility Rehabilitation and Replacement Fund (FR&R)	-	-	-	-	-	-	-
Library	-	-	-	666,245	-	-	666,245
Mission Viejo Mall Parking Lease	-	-	(1,574,533)	-	-	-	(1,574,533)
Animal Services	-	-	-	-	584,650	-	584,650
<b>Total All City Funds</b>	-	<b>565,900</b>	<b>(1,574,533)</b>	-	-	<b>79,921</b>	<b>(928,712)</b>

(1) No amounts are included as part of the adopted budget for transfer to either the CEFV for FR&R funds to increase the reserve levels in these funds.

(2) This amount represents the portion of the "Shops at Mission Viejo" property and sales tax revenue that is in excess of mall bond debt service payments which is released after one year and transferred to the General Fund. This amount fluctuates annually depending on interest rates, retail activity and assessed value of the mall property.

(3) This amount represents 50% of estimated sales tax generated by the "Shops at Mission Viejo," subject to the minimum threshold amount retained by the City, and is paid to the CDFA.

(4) The Library Department receives an annual subsidy from the General Fund, calculated as the variance between ongoing budgeted revenue and ongoing appropriations.

(5) This represents the City's estimated share of the net costs of the animal services operation that also serves the cities of Laguna Niguel and Aliso Viejo.

(6) This represents the reimbursement to the City for personnel costs related to the administration of the Successor Agency for the dissolved Community Development Agency.



**This Page Intentionally Blank**



**2015-2017 Budget**  
**Budget by Fund and Fund Balances**

**FY 2016/17**

<b>Fund #</b>	<b>Fund Description</b>	<b>Estimated Fund Balance 06/30/2016</b>	<b>Estimated Revenues</b>	<b>Operating Budget</b>	<b>Capital Improvement Budget</b>	<b>Total Budget</b>	<b>Interagency/ Interfund Transfers</b>	<b>Contribution (from) / to Reserves</b>	<b>Estimated Fund Balance 06/30/17</b>
101	General Fund	12,205,656	55,251,363	54,203,190	1,200,000	55,403,190	184,715	32,888	12,238,544
109	Successor Agency Admin Fund	-	-	82,859	-	82,859	82,859	-	-
180	Computer/Equip/Furn/Veh Repl	2,274,335	-	-	-	-	-	-	2,274,335
190	Facility Rehab/Replacement	13,315,905	-	-	-	-	-	-	13,315,905
		<b>27,795,896</b>	<b>55,251,363</b>	<b>54,286,049</b>	<b>1,200,000</b>	<b>55,486,049</b>	<b>267,574</b>	<b>32,888</b>	<b>27,828,784</b>
201	Library Fund	324,987	2,783,200	3,355,345	-	3,355,345	572,145	-	324,987
202	Suppl Law Enforcement Svcs Fd	-	150,000	150,000	-	150,000	-	-	-
211	State Gas Tax Fund	636,404	2,120,960	342,000	1,778,000	2,120,000	-	960	637,364
212	Gas Tax - 2107.5 Fund	21,947	10,000	1,982	-	1,982	-	8,018	29,965
218	Crown Valley Corridor Fee Fund	23,442	-	-	-	-	-	-	23,442
219	Air Quality Imprvmnt Trust Fd	66,651	119,400	47,075	-	47,075	-	72,325	138,976
225	Sr Center Operations Fund	-	-	-	-	-	-	-	-
245	Park Development Fees Fund	4,224,993	-	-	-	-	-	-	4,224,993
260	Comm Development Block Grant	(4,215)	400,000	422,552	-	422,552	-	(22,552)	(26,767)
262	SCRIP Fund	(1,138,466)	1,650,000	-	1,650,000	1,650,000	-	-	(1,138,466)
267	Measure M 2 SlsTx-Apprtnmt Fd	(593,101)	1,663,100	-	1,447,000	1,447,000	-	216,100	(377,001)
275	Measure M2 EnvCleanupProg (ECP)	-	200,000	-	200,000	200,000	-	-	-
277	OC Muni Water District Grant	-	40,000	-	40,000	40,000	-	-	-
278	Senior Mobility/OCTA Transport Grant	62,714	114,000	114,000	-	114,000	-	-	62,714
279	M2 Arterial Pavement Management (A)	-	500,000	-	500,000	500,000	-	-	-
343	MV Mall Parking Lease Fund	7,616	1,680,500	-	-	-	(1,680,500)	-	7,616
510	Mission Viejo Television Fund	52,614	278,500	278,071	-	278,071	-	429	53,043
511	Mission Viejo TV Capital Fund	249,302	314,500	160,000	-	160,000	-	154,500	403,802
560	Animal Services Fund	2,633,329	1,493,000	2,058,331	-	2,058,331	578,940	13,609	2,646,938
	<b>Total All Funds</b>	<b>34,364,113</b>	<b>68,768,523</b>	<b>61,215,404</b>	<b>6,815,000</b>	<b>68,030,404</b>	<b>(261,841)</b>	<b>476,278</b>	<b>34,840,390</b>



**2015-2017 Budget  
Discretionary Reserves\***

**FY 2016/17**

General Fund Group	Projected Balance 06/30/2016	Current Revenues Less Expenditures	Interfund Transfers	Other Adjustments	Projected Balance 06/30/2017
<b><i>Designated Reserves/Fund Balances</i></b>					
General Fund					
Unfunded Liabilities	500,000	-	-	-	500,000
Computers, Equipment, Furnishings Vehicles (CEFV) Replacement Fund	2,274,335	-	-	-	2,274,335
Facility Rehabilitation and Replacement Fund	13,315,905	-	-	-	13,315,905
<b>Total Designated Reserves/Fund Balance</b>	<b>16,090,240</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,090,240</b>
<b><i>Undesignated Reserves/Fund Balances</i></b>					
General Fund					
Contingency Reserve	8,262,143	-	-	25,561	8,287,704
% of General Fund Revenues	15%				15%
Unappropriated Fund Balance	3,178,086	(151,827)	184,715	(25,561)	3,185,414
<b>Total Undesignated Reserves/Fund Balances</b>	<b>11,440,229</b>	<b>(151,827)</b>	<b>184,715</b>	<b>-</b>	<b>11,473,117</b>
<b>Grand Total, Discretionary Reserves</b>	<b>27,530,469</b>	<b>(151,827)</b>	<b>184,715</b>	<b>-</b>	<b>27,563,357</b>
% of General Fund Revenues	50%				50%

\*Discretionary Reserves represent designated and undesignated fund balances from the General Fund group only (General Fund and both asset replacement funds).





**2015-2017 Budget  
Interagency/Interfund Transfers**

**FY 2016/17**

In / (Out) Fund	(1) Funding of Asset Replacement Funds	(2) Mall Bond Rolling Reserve Release	(3) Mall Sales Tax Pledged to Bonds	(4) Library Subsidy	(5) Animal Services Subsidy	(6) SA Admin Costs	Total Interagency / Interfund Transfers
General Fund	-	1,335,800	-	(572,145)	(578,940)	-	184,715
Successor Agency Admin	-	-	-	-	-	82,859	82,859
Computers, Equipment, Furnishings, Vehicles (CEFV)	-	-	-	-	-	-	-
Facility Rehabilitation and Replacement Fund (FR&R)	-	-	-	-	-	-	-
Library	-	-	-	572,145	-	-	572,145
Mission Viejo Mall Parking Lease	-	-	(1,680,500)	-	-	-	(1,680,500)
Animal Services	-	-	-	-	578,940	-	578,940
<b>Total All City Funds</b>	-	<b>1,335,800</b>	<b>(1,680,500)</b>	-	-	<b>82,859</b>	<b>(261,841)</b>

(1) No amounts are included as part of the adopted budget for transfer to either the CEFV for FR&R funds to increase the reserve levels in these funds.

(2) This amount is the portion of the "Shops at Mission Viejo" property and sales tax revenue that is in excess of mall bond debt service payments which is released after one year and transferred to the General Fund. This amount fluctuates annually depending on interest rates, retail activity and assessed value of the mall property.

(3) This amount represents 50% of estimated sales tax generated by the "Shops at Mission Viejo," subject to the minimum threshold amount retained by the City, and is paid to the CDFA.

(4) The Library and Cultural Services Department receives an annual subsidy from the General Fund, calculated as the variance between ongoing budgeted revenue and ongoing appropriations.

(5) This represents the City's estimated share of the net costs of the animal services operation that also serves the cities of Laguna Niguel and Aliso Viejo.

(6) This represents the reimbursement to the City for personnel costs related to the administration of the Successor Agency for the dissolved Community Development Agency.

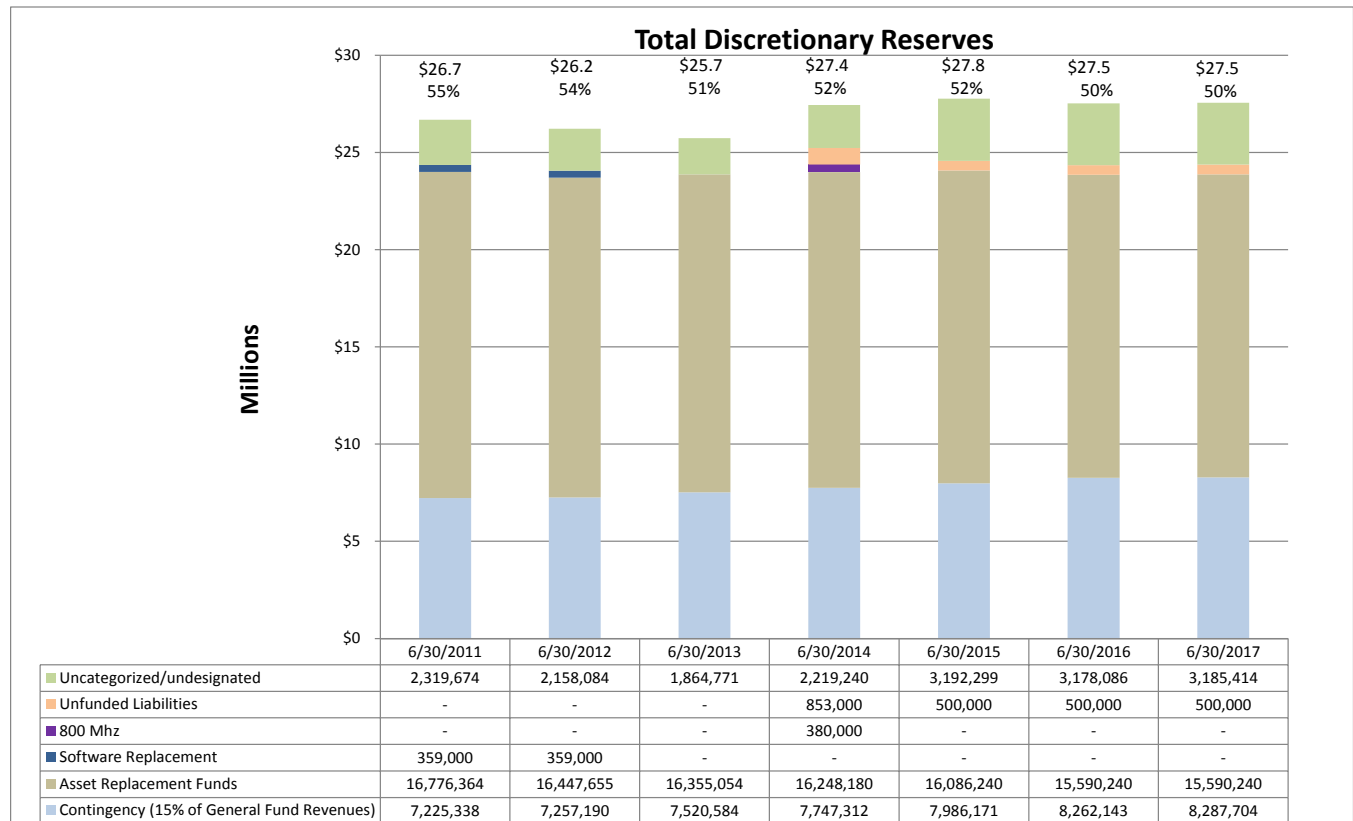


## CITY OF MISSION VIEJO

### Reserve Trends and Descriptions



The City Council adopted management and financial policies establishing a grouping of the City's reserves called "total discretionary reserves." (These policies can be found in the appendices.) Discretionary reserves represent fund balance amounts over which the City Council has full discretion as to their use and which are not restricted in any way by outside parties.



Total discretionary reserves include the fund balances of the General Fund and the City's two asset replacement funds – the Computer/Equipment/Furnishings/Vehicles (CEFV) Fund and the Facility Rehabilitation and Replacement (FR&R) Fund. These three funds are referred to as the "General Fund Group." The City Council reserve policies have established target levels at which to maintain total discretionary reserves. This target level is defined as a minimum of 40% of annual General Fund group revenues, with a target of 50% of such revenues.

The chart above shows the actual discretionary reserve balances at June 30<sup>th</sup> for 2011 through 2014 and estimated reserve balances projected for June 30, 2015. The amounts for 2016 and 2017 are projected balances based upon the FY 2015-17 proposed budget. Total discretionary reserves are categorized into six groups: contingency, asset replacement funds, unfunded liabilities, 800 Mhz, software replacement, and uncategorized/undesignated. As the chart shows, Mission Viejo has maintained or is projecting to maintain discretionary reserves at or above the 50% level for each of the years shown.