



City of Mission Viejo California



Budget & Master Financial Plan 2015 - 2017

ABOUT THE COVER: Pavion Park playground, the first universally designed playground in Orange County, reopened in December 2014 after a complete renovation. Universal design is intended to provide equal access for all, including children and caregivers of all ages and abilities. The newly renovated playground includes: a main tree house with slides, accessible ramps and interactive boards; rocking boat that accommodates a wheelchair; accessible sand diggers; spinners; swings equipped with harness/support to protect a child's neck; and interactive light/sound games. Pavion Park is the second largest playground in Mission Viejo and is located on the corner of Jeronimo Road and Pavion.

Photos courtesy of Michele Whiteaker, FunOrangeCountyParks.com

City of Mission Viejo



2015-17 BUDGET

CITY COUNCIL

Cathy Schlicht, Mayor
Greg Raths, Mayor Pro Tem
Wendy Bucknum, Council Member
Ed Sachs, Council Member
Frank Ury, Council Member

CITY MANAGER

Dennis R. Wilberg

ASSISTANT CITY MANAGER/ DIRECTOR OF PUBLIC SERVICES

W. Keith Rattay

DIRECTOR OF ADMINISTRATIVE SERVICES

Cheryl Dyas

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CITY OF MISSION VIEJO
2015-17 Budget
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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Mission Viejo
California**

For the Biennium Beginning

July 1, 2013

Executive Director

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City of Mission Viejo

Office of the City of Manager

Cathy Schlicht
Mayor

Greg Rath
Mayor Pro Tem

Wendy Bucknum
Council Member

Edward Sachs
Council Member

Frank Ury
Council Member

July 6, 2015

HONORABLE MAYOR AND CITY COUNCIL:

It is a pleasure to submit the adopted 2015-17 Budget and Master Financial Plan. The adopted budget is a \$136.7 million two year package of services, programs and projects for the benefit of Mission Viejo residents and businesses. The adopted budget essentially maintains all existing service levels and programs, and provides for \$13.6 million in funding for the capital improvement program (CIP). Fund balances are healthy and total discretionary reserves are projected to be at the City Council's target level of 50% of General Fund group revenues at the end of both FY 2015/16 and FY 2016/17.

Over the last two year budget cycle, the City has experienced continued growth in revenues. Actual General Fund revenues in FY 2013/14 exceeded the original operating budget projections by \$2.5 million and we are currently estimating that revenues in FY 2014/15 will exceed the original projections in excess of \$4.0 million. These improved revenue trends resulted in General Fund operating surpluses over the last four completed fiscal years and we anticipate ending FY 14/15 with another operating surplus. We foresee a continuation of a slow to moderate growing economy over the next two year budget cycle and have forecasted revenues to grow at a modest pace in anticipation of this.

The adopted budget was developed by following the sound fiscal policies adopted by the City Council and a continuation of organizational efficiencies and cost saving measures implemented in prior fiscal years. The importance of the city's prudent fiscal management in past years became evident while preparing this adopted budget. While the recovery of the economy has provided solid revenue growth for the City, the recovery has also resulted in two years of minimum wage increases and increases to prevailing wages that affect many city contracts. As a result, the City will experience significant increases in cost to necessary contracts over the next two year budget cycle and beyond for on-going operational costs, including contracted landscape maintenance, building inspection services and police services. Most notably, all monthly landscape maintenance contracts that were publically bid for the 2015-17 budget period went up on average 19%.

The CIP program continues to provide a significant amount of funding for the Arterial Highway and Residential Street Resurfacing projects with \$7.0 million of the total \$13.6 million two-year CIP budget going toward these projects.

Budget Highlights

Key Factors in Developing the 2015-17 Budget

The development of the 2015-17 adopted budget was guided by a continued focus on the City's organization values and strategic goals. The strategic goals were first established in 2008 and were further developed in 2011 as part of a budget prioritization process utilized by the City in developing the 2011-13 two-year budget.

On January 16, 2015, a pre-budget discussion took place at a special meeting of the City Council. The agenda for this meeting included the presentation and discussion of a variety of topics, including the police services contract, landscape maintenance, pavement and traffic management, economic development, capital improvements, unfunded liabilities and discretionary reserves. The City Council provided input on their respective preferences for those programs and services that should be maintained at the current level and those where increased spending should occur. At the conclusion of the pre-budget discussion and in a following City Council meeting that took place on January 19, 2015, the City Council prioritized the six areas that were identified for increased spending. The group ranking was as follows:

1. Economic Development
2. Reduction of Unfunded Liabilities
3. Playground Rehabilitation
4. Park Restroom Master Plan
5. Marguerite Aquatics Complex Rehabilitation
6. Slope Rehabilitation

The 2015-17 Budget:

- *Maintains the City's discretionary reserves at the City Council target level of 50% of annual General Fund revenues*
- *Maintains the Library Fund reserves above the City Council target level of 10% of annual Library Fund revenue*
- *Maintains the Gas Tax reserves above the City Council target level of 30% of annual Gas Tax Fund revenue*
- *Maintains all core services and programs at current service levels*
- *Includes \$1.3 million for playground renovations*
- *Includes \$1.0 million for new park restroom facilities*
- *Maintains \$4.9 million in Park Development Fee revenue for the Marguerite Aquatics Complex renovation*

The City Council also provided direction to staff to utilize discretionary reserves, if needed, to implement the priorities of the City Council. This adopted budget utilized discretionary reserves from one of the asset replacement funds to provide resources for the replacement of various IT related equipment. This adopted budget also utilized approximately \$11,000 in General Fund reserves for the development of a landscape plan for the Aegean Hills area.

In developing the 2015-17 budget, the objectives were to maintain all core services and programs, include funding for two playground rehabilitations and two new park restrooms, propose a funding plan for the Marguerite Aquatics Complex rehabilitation, shift spending from slope rehabilitation to landscape water conservation efforts in light of the drought crisis and maintain the General

Fund discretionary reserve at or above 50%, maintain the Library Fund reserve above 10%, and maintain the 30% minimum fund balance level in the Gas Tax Fund as provided by Council policy. The 2015-17 adopted budget meets all of these objectives.

As for fund balance reserve objectives, it is projected that the General Fund group discretionary reserve levels will be 50% of General Fund group revenue at both June 30, 2016 and 2017. Other Council reserve policies involve the Library and Gas Tax Funds. Council policy for these funds state that the Library Fund will maintain a minimum fund balance of 10% of estimated Library Fund revenues. For the Gas Tax Fund, this reserve level is 30% of estimated gas tax revenue. Based on revenue projections for FY 2016/17, library and gas tax revenue is projected to be \$2.8 million and \$2.1 million respectively, calling for reserves of \$278,000 in the Library Fund and \$636,000 in the Gas Tax Fund at June 30, 2017. The Library Fund fund balance is projected to be just over \$325,000 at June 30, 2017, and the Gas Tax fund balance is projected to be at \$637,000.

Revenue

Total revenues for all funds are projected to be \$67.9 million for FY 2015/16 and \$68.8 million for FY 2016/17. The City's two primary revenue sources are property and sales taxes and continued growth is projected in both of these categories. Property tax is expected to grow a modest 3.7% in FY 2015/16 as projected by the City's property tax consultant, HdL. For FY 2016/17, staff is projecting growth at a conservative 2.8% (other forecast resources project higher growth of 3.4% and 5.0%). These modest growth rates are consistent with actual growth experienced in the years since the recession and represent seven straight years of modest growth in assessed values. Growth in retail activity has also been consistent over the past seven years. Actual sales tax received by the City in FY 2012/13 was \$16.9 million as compared to the FY 2016/17 projection of \$18.5 million. This is a \$1.6 million or 9.4% increase during a four year period. The City is using conservative growth in the 2015-17 budget projection of 3.3% and 3.0% in each year. City consultants and leading economists in the Southern California area are forecasting growth rates that range from 3.8% to 7.2%.

We are anticipating the receipt of Park Development Fees of \$1.0 million in FY 2015/16. These fees are expected to be generated by the Skyridge project off El Toro Road. Park Development Fees are recorded in a separate Special Revenue Fund and are restricted for park or recreation related uses. In addition to the fees expected in FY 15/16, the City has \$4.4 million in unappropriated fees received during the past few fiscal years. The total of these fees will provide \$5.4 million for park related projects during the next two year budget cycle. The proposed budget includes utilizing \$0.5 million for the construction of a restroom at Pavion Park. The balance of \$4.9 million is available for the Marguerite Aquatics Complex renovation.

The largest source of grant funding is approximately \$1.0 million expected over both FY 2015/16 and FY 2016/17 for the Marguerite Parkway and Trabuco Parkway pavement rehabilitations, as well as funding to continue median rehabilitations on Marguerite Parkway, north of Alicia Parkway. The City is also expected to receive \$2.25 million in developer fees to improve the Felipe Road and Oso Parkway intersection and improve the northbound I-5 on ramps at Oso Parkway. More information on all CIP projects can be found in the Capital Improvement Project section of this document.

For a more detailed discussion of the revenues received by the City and projections and assumptions, as well as individual estimates by category and fund, please see the “Revenue” section in this budget document.

Operating Appropriations

The adopted operating budget for all funds is \$61.9 million in FY 2015/16 and \$61.2 million in FY 2016/17. The operating budget was developed by starting with the FY 2014/15 base budget, which is the updated budget adopted by the City Council in June 2014 as part of the mid-cycle budget update and other additional amendments that are considered to be on-going costs during the next budget cycle. From the base budget each department budget was developed by carefully reviewing current service levels and programs. While there are programs within the overall budget that through operational efficiencies and contract management resulted in cost cutting, the overall budget increased \$4.0 million in FY 2015/16. Approximately \$2.3 million of this increase relates to on-going operational costs, including contracted landscape maintenance, building inspection services and police services. Another \$1.2 million of the total increase relates to one-time capital asset replacement needs for various technology related equipment and systems. Those program areas reflecting significant increases and the reasons why are:

- **Information Technology:** The base budget for this department is increasing by \$859,000 in FY 2015/16. Included in this program budget is \$490,000 to replace network infrastructure hardware, \$100,000 to upgrade the City Hall facility security system, and \$76,000 in other capital outlay requests to replace existing hardware. Software licensing has also increased approximately \$60,000. This program budget will be declining 19.8% in FY 2016/17 since the majority of the capital outlay requests in FY 2015/16 are one-time requests.
- **Police Services:** The contract budget with the Orange County Sheriff’s Department (OCSD) is increasing approximately \$0.6 million over the FY 2014/15 contract budget. This contract budget with OCSD is projected to increase another 3% in FY 2016/17.
- **Building Program in Community Development:** The contract for building and safety services beginning July 1, 2015 went out for bid in March 2015. The result of this process resulted in fee increases for these services by approximately \$83,000 a year.
- **Parks/Median and Parkways Maintenance:** These two program areas account for ten separate landscape maintenance contracts for all parks, medians and slopes in the City. Due to increases in minimum wages and prevailing wages by contractors that perform work for public agencies, for those contracts that went out to bid for the 2015-17 budget period, the average contract cost increased 19% or approximately \$1.4 million. There is another \$0.2 million increase from other landscape maintenance related contracts in these two programs and for facility maintenance contracts that are also due to minimum wage increases during the past two years.
- **Mission Viejo Television (MVTV):** The FY 2015/16 proposed budget includes an increase to capital outlay by a little over \$0.5 million. This budget includes \$650,000 to upgrade the MVTV studios, replace the council chambers display screen and projector and to upgrade the council chambers voting system, including software and equipment. This

program budget will be declining 57.3% in FY 2016/17 since the majority of the capital outlay requests in FY 2015/16 are one-time requests.

Since most contracts are structured as two-year contracts with amounts fixed over the two-year contract period, growth in the operating budget for FY 2016/17 has been limited, just 0.9% in the General Fund and the total budget for all funds is actually declining 1.0%.

Capital Improvement Program (CIP)

The adopted budget includes funding for CIP projects of \$6.8 million in both FY 2015/16 and FY 2016/17 for a total CIP budget of \$13.6 million. Of the fourteen separate funding requests, \$7.0 million or 54% are for the on-going annual Arterial Highway and Residential Resurfacing programs. The largest single non-street resurfacing request is for the Felipe Road and Oso Parkway intersection improvement project for \$1.5 million. The CIP budget also includes the rehabilitation of two park playgrounds and the construction of two new park restroom facilities as prioritized by the City Council.

Another priority set by the City Council is the rehabilitation of the Marguerite Aquatics Complex. A facility review and needs assessment study was first presented to the City Council on March 2, 2015. The City Council sent the study to the Community Services Commission for review, public input and to provide the Council with a recommended action. The City Council approved a scope of work for rehabilitation at the June 1, 2015 City Council meeting. The adopted budget includes an appropriation of \$700,000 for design development, engineering and project management costs. The appropriation for the construction of the project is anticipated to occur upon award of a construction contract. The current estimated cost for the entire project is \$7.7 million; however, this estimate is subject to change based on the final design. As previously stated, there is \$4.9 million available in Park Development Fund resources; and it is anticipated that the Nadadores Foundation will contribute \$1.366 million through fundraising efforts. Another \$1.1 million was identified through resources received by the sale of City owned land to the Mission Viejo Housing Authority. The funding source(s) for the balance of this project is yet to be identified.

Master Financial Plan (MFP)

The City's long-range MFP has been updated and is included in this document. The MFP contains a seven-year General Fund revenue forecast and expenditure plan which projects revenues, operating expenditures, transfers, funding available for capital projects, and reserve requirements for the General Fund. This MFP provides a clear indication that the City is benefiting from a continuously improving economic climate. General Fund revenue exceeded pre-recession revenues in FY 2013/14 and revenues are expected to grow throughout the forecast period. The MFP also projects that funding for discretionary use increases each year from \$313,000 in FY 2017/18 to \$2.5 million in FY 2021/22. Discretionary uses include one-time capital projects or other expenditures, including deposits into the asset replacement funds.

Pending Issues

Unfunded Pension and OPEB Liabilities

The City Council has taken a number of actions over the past several years in an effort to reduce the cost of employee pension and retiree health benefits to the City and minimize the unfunded liabilities associated with these plans. Some of these actions include; reducing the retirement benefit plan from a 2.7%@55 plan to a 2%@60 plan; shifting the cost of the employee contributions to these plans to the employees, with employees picking up the full employee share of pension costs by June 30, 2015; and fixing the maximum monthly health benefit for the retiree health benefit plan. The City has also been proactively paying down the unfunded liability each year for the retiree health benefit plan including a one-time special payment made in April 2015 of \$2.1 million. The City Council also directed staff to make a lump sum payment toward the pension unfunded liability of \$1.5 million in June 2015.

It is the second priority of the City Council to reduce unfunded liabilities; specifically, to obtain 100% funded status in the retiree health benefit plan by June 30, 2016 and achieve an 85% funded status in the pension plan by June 30, 2017. The next valuation for the retiree health plan for June 30, 2015 and the valuation for the pension plan for June 30, 2014 will be available in late 2015. Staff will review these valuations when complete and report back to the City Council on the status of the unfunded liabilities of both plans no later than the end of December 2015. Depending upon the results of the pending valuations on both of these plans, it may be necessary to make additional contributions toward unfunded liabilities to meet City Council goals.

Conclusion

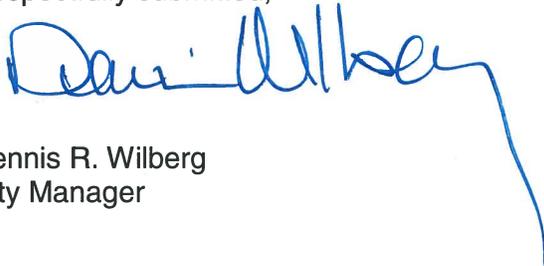
I believe the adopted budget for 2015-17 successfully maintains the high level of services and programs important to the community as well as addresses the priorities of the City Council. To address the City Council's first priority of Economic Development, earlier this year the City entered into a contract with Kosmont Companies to prepare an Economic Development Strategic Plan. This plan will be utilized to guide the City during the 2015-17 budget period on fostering economic and land use revitalization. The second Council priority to reduce unfunded liabilities was addressed during FY 2014/15 by making special one-time payments as identified above. Staff will continue to monitor unfunded liabilities and report back to Council as new information becomes available. The third and fourth priorities are playground rehabilitations and construction of new park restroom facilities: funding has been included in this two year budget for four projects for a total of \$2.3 million. The fifth priority is the rehabilitation of the Marguerite Aquatics Complex as previously discussed. The final and sixth priority of the City Council is slope rehabilitation. Due to the water drought crisis and mandatory water cuts being imposed by the State, the adopted budget includes funding for water conservation efforts in lieu of slope rehabilitation since the later will actually increase the use of water for newly planted vegetation on slopes.

I wish to take this opportunity to thank city staff in all departments for their time and effort in developing a comprehensive and responsible budget for 2015-17. Special thanks to go the Director of Administrative Services Cheryl Dyas and Budget and Purchasing Analyst Susan Knudson for their long hours and hard work on this budget. I also would like to thank the entire Administrative Services Department staff for their top-quality work in preparing this adopted budget.

HONORABLE MAYOR AND CITY COUNCIL
Budget Message
FY 2015-2017

I look forward during the next two years to continuing to provide the very highest level of service and responsiveness to our residents and businesses, and to ensure that Mission Viejo remains the special place that it is.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Dennis Wilberg", with a long, sweeping underline that extends to the right.

Dennis R. Wilberg
City Manager

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CITY OF MISSION VIEJO

2015-17 Budget Readers' Guide

An agency's budget serves several distinct purposes: as a document reflecting City Council policies and priorities, as a communication tool presenting to residents the various services provided and how much those services cost, and as a financial management and planning tool for City management and staff to use in guiding spending decisions. The City of Mission Viejo prepares for City Council adoption a two-year budget, with the first year beginning in odd numbered calendar years.

INTRODUCTION

The introductory section includes a citywide organizational chart, the mission statement, an overview of strategic goals and a budget development calendar. These documents are presented in order to help the reader understand the basic priorities and operating structure of the City as well as a general timeline for budget preparation. Immediately following this reader's guide is a Budget Summary section, which summarizes projected revenue and appropriations for FY 2015-16 and FY 2016-17.

BUDGET SUMMARY

This section includes all of the summary budget data including the sources and uses of funding, budget by fund schedules, a table of discretionary reserves, and an outline of interagency and interfund transfers. In addition, a discussion of the City's reserve trends is included.

REVENUES

The Revenues section presents both summarized and detailed information about revenue sources and historical activity. Also included in this section are schedules on revenues by fund groups and by major revenue category and an explanation of revenue sources, which includes the assumptions used to project revenue for the 2015-17 budget cycle.

OPERATING BUDGET

The Operating Budget section contains the objectives for each operating program. The City of Mission Viejo prepares a "program" budget. The program budget organizes functions by program area and assists in clearly and effectively communicating the City's service and spending priorities.

Therefore, the Operating Budget section has information organized into seven distinct program areas, which identify the major services provided by the City:

- General Government – Legislative
- General Government – Management and Support
- Public Safety
- Community Development
- Engineering and Transportation
- Infrastructure Maintenance
- Recreation, Community and Library Services

A summary budget is provided for each program area followed by program budgets for each program within the program area. The program budgets are grouped by department and include organizational charts, FY 2015-17 department objectives with the corresponding strategic goals, the FY 2013-15 accomplishments, the FY 2013-2017 performance measures, and department summaries. Each program budget, is summarized into sixteen possible expenditure categories. Each program budget also includes funding sources and personnel information.

CAPITAL IMPROVEMENT BUDGET

The Capital Improvement Program (CIP) section presents an overview of anticipated infrastructure and other capital improvement needs of the community for the next two fiscal years. This section begins with a detailed matrix showing the individual capital projects by funding source. Following this information are individual project



CITY OF MISSION VIEJO
2015-17 Budget Readers' Guide

pages which present detailed information on each specific capital project, its funding source, impact of each CIP on the operating budget, photos, project locations and other pertinent information.

MASTER FINANCIAL PLAN (MFP)

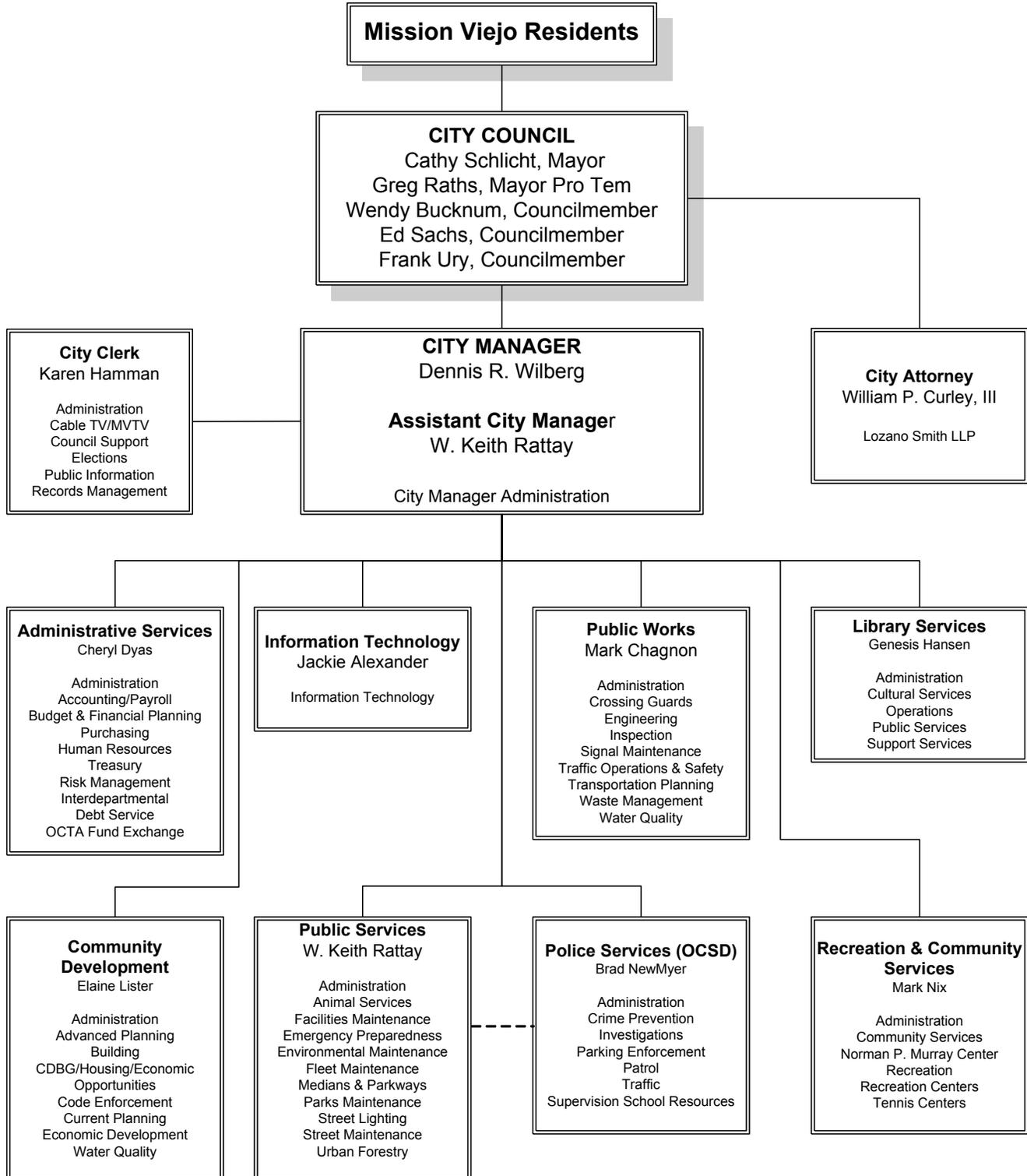
This section includes a summary of the most recent update of the City's seven-year Master Financial Plan (MFP). The MFP serves as a long-range planning tool which allows the City Council, executive management and residents to see a high-level presentation of General Fund revenue vs. expenditures. This presentation allows for a longer term view and assists with near-term planning.

APPENDICES

This section includes items intended to assist the reader in understanding the City of Mission Viejo and the budget document. Included in this section are a glossary, the authorized position schedule, a description of the accounting system and internal controls, a description of individual funds, a schedule discussing debt administration, a "Community at a Glance" presentation, the legally required appropriation limit calculation (i.e., Gann limit), and the City Council adopted management and budget policies.



CITY OF MISSION VIEJO
2015-17 Citywide Organizational Chart





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CITY OF MISSION VIEJO

2015-17 Mission, Vision and Organization Values



Mission

Our City is dedicated to creating a safe, fulfilling and unique environment that will preserve and enhance the quality of our lives and the lives of future generations. We are committed to providing services to our residents and businesses that are responsive, innovative and cost-effective, and that promote the well-being of a community where caring people are the difference. We recognize that the people who live and work in our community are our greatest asset.

Vision for 2017

Our City will:

- Continue to be one of the safest communities in California and the United States;
- Enhance the feel and benefits of our planned community while retaining its distinct identity;
- Preserve a vibrant, attractive, and pleasant environment in which to live and work;
- Provide an enhanced quality of life for our residents; and,
- Demonstrate good stewardship of the environment and the local economy.

Organization Values

We are dedicated providers of municipal services and stewards of the public trust. Through Public Service, Integrity, Teamwork, Innovation, and Excellence, we are committed to preserving and enhancing the quality of life within Mission Viejo.

- **Public Service:**
 - Care about and respect all segments of the community
 - View the public as a customer and as a shareholder
 - Be accessible, courteous, and responsive always
 - Strive to fix it, solve it, answer it, or do it
 - Be fiscally responsible and deliver maximum value for the time invested and the tax dollars spent
- **Integrity:**
 - Foster a safe environment for open communication
 - Believe in our values and make our actions reflect them
 - Do what is right, just, fair, and honest
 - Accept responsibility for our actions and demonstrate accountability
- **Teamwork:**
 - Encourage personal initiative through positive feedback
 - Demonstrate respect for the opinions and decisions of others
 - Practice humility and cooperation
 - Be willing to compromise and ready to help
- **Innovation:**
 - Encourage and reward creative thinking
 - Seek better ways to do the job
 - Turn problems into opportunities
 - We do not know what can be done until we try it
- **Excellence:**
 - Commit to superior results
 - Anticipate trends
 - Encourage long-term thinking
 - Don't just meet the standards, set them



CITY OF MISSION VIEJO *Strategic Goals Overview*



On January 16, 2015 the City Council conducted a full day pre-budget workshop to discuss strategic goals and priorities and provide preliminary input for the development of the 2015-2017 budget. During the meeting the City Council confirmed that the strategic goals as stated in previous biennial budget cycles had not changed, however the order has changed. The City Council unanimously agreed that Economic Development should be a higher priority during this budget cycle. There were six items the City Council ranked and they are listed below in descending order.

- Economic Development
- Reducing Unfunded Liabilities
- Rehabilitating one City park playground each year
- Constructing new restrooms in parks
- Marguerite Aquatics Complex rehabilitation
- Slope Maintenance

Although not ranked, City Council also requested traffic flow improvements.

Each of the above areas are encompassed in the City’s strategic goals, further defined as follows:



Economic Development

- ❖ Markets the community’s amenities, location & livability
- ❖ Enhances its public infrastructure to improve access, circulation & aesthetics
- ❖ Facilitates business development through community partnerships & “business-friendly” processes
- ❖ Provides assistance & resources to recruit & retain a well-balanced mix of businesses, in collaboration with the business community
- ❖ Encourages renovation & revitalization of the community



Public Safety & Emergency Preparedness

- ❖ Builds an informed, involved & engaged community that shares responsibility for being safe & prepared for emergency situations
- ❖ Promotes a properly regulated community that is safe, clean & attractive
- ❖ Prepares & provides for a well-planned, coordinated & prompt response to emergencies & calls for service
- ❖ Proactively prevents & lowers the occurrence of crime through enforcement, investigation & administering justice
- ❖ Fosters a feeling of personal safety & maintains a visible, responsive public safety presence



Preserving & Enhancing the Beauty of the Community

- ❖ Provides for well-maintained, structurally sound & continually enhanced infrastructure & facilities
- ❖ Manages & mitigates factors that impact the environmental quality of air, land & water
- ❖ Promotes & encourages resource conservation through incentives, education & proactive planning that advance community sustainability goals
- ❖ Preserves, maintains & enhances its parks, open spaces, green spaces and public spaces
- ❖ Partners with the community to regulate & maintain clean, orderly & visually appealing neighborhoods, commercial areas & public spaces that meet quality standards
- ❖ Provides for the renew of the environment through quality refuse disposal, recycling & reuse



CITY OF MISSION VIEJO

Strategic Goals Overview



Traffic Flow & Infrastructure Improvements



- ❖ Provides safe alternatives for pedestrians & cyclists, while educating the community about alternative mobility options
- ❖ Proactively adopts a regional approach in planning for traffic control & mobility
- ❖ Strategically develops infrastructure that meets the needs of the long-term growth of the community
- ❖ Designs & builds an accessible, convenient transportation system that reduces congestion, improves traffic flow & enhances mobility
- ❖ Provides a system of safe, reliable & well-maintained roadways, sidewalks, traffic signals & street lights

Community Building



- ❖ Provides superior services that meet the unique & distinctive needs of the community, setting it apart from other cities in the area
- ❖ Cultivates & provides a variety of recreational, cultural & life-long learning opportunities and facilities
- ❖ Partners & leverages resources with community stakeholders to provide for the physical, social & cultural well-being of the community
- ❖ Offers diverse programs & activities for youth and seniors
- ❖ Creates & fosters a sense of community pride through citizen involvement, engagement & participation
- ❖ Encourages & supports neighborhood gatherings & city-wide special events that connect the community

Governance



- ❖ Attracts, motivates and develops a high-quality workforce dedicated to public service
- ❖ Supports decision-making with timely & accurate short-term & long-range analysis
- ❖ Responsive, accessible & courteous to its customers
- ❖ Provides assurance of regulatory & policy compliance to minimize & mitigate risk
- ❖ Protects & prudently manages its financial, human, physical & technology resources
- ❖ Enables & enhances transparency, accountability, integrity, efficiency & innovation in all operations

The icons associated with each of these strategic goal are used again on the 2015-17 Department Objectives pages to help the reader identify which strategic goal(s) each objective addresses.



CITY OF MISSION VIEJO
2015-17 Budget Development Calendar

The City's biennial budget development cycle began in January 2015 and concludes in July 2015 with the adoption of the FY 2015-17 budget.

JANUARY
<ul style="list-style-type: none"> • City Council Pre-Budget Discussion • Detailed Budget Planning Timeline Developed and Provided to Departments • Administrative Services Disseminates Instructions for Budget Development • Departments Complete Update of Staff Requests and Position Allocations

FEBRUARY
<ul style="list-style-type: none"> • Departments Submit Program Revenue and Expenditure Estimates for Both FY 2015/16 and 2016/17 • Administrative Services Disseminates Instructions for Capital Improvement Program (CIP) Requests • Departments Submit CIP Requests • Treasury Establishes Assumptions for Master Financial Plan (MFP)

MARCH
<ul style="list-style-type: none"> • Human Resources Completes Review of Department Staffing Requests • Financial Planning and Budget Completes Department Payroll Projections • Treasury Completes Projections of Revenue • City Manager Conducts Meetings with Departments to Review Budget Requests

APRIL
<ul style="list-style-type: none"> • City Manager Reviews CIP Requests with Departments • City Manager Conducts a Second Round of Meetings with Departments to Review Budget Requests • FY 2015-17 Revenue Projections Presented to Council • CIP Project Requests and Descriptions Updated by Departments • Presented the draft FY 2015/16 budget detail to each Councilmember • Final Budget Balancing Completed • Financial Planning and Budget Completes Entry of Budget Line-Items into City's Financial Accounting System

MAY
<ul style="list-style-type: none"> • Departments Complete Update of Accomplishments, Objectives and Performance Measures • OCSD Law Enforcement Contract Estimate Presented to Council • Treasury Completes the Update of the MFP and 7 Year Projection of General fund Revenues and Expenditures • Administrative Services Assembles the Proposed Budget Document, Including the MFP

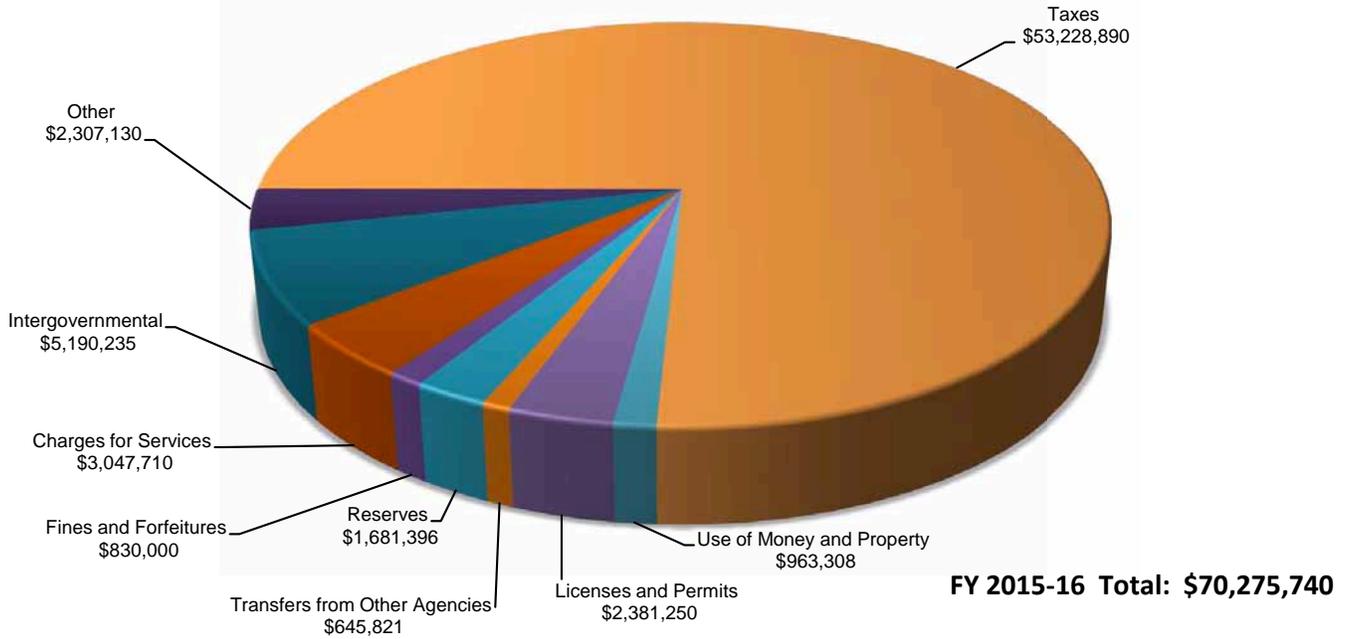
JUNE
<ul style="list-style-type: none"> • City Manager presents Proposed Budget to City Council (June 2015) • City Council holds budget workshop (June 2015)

JULY
<ul style="list-style-type: none"> • City Council Adopts Two-Year Operating Budget and Capital Improvement Program (July 6, 2015)

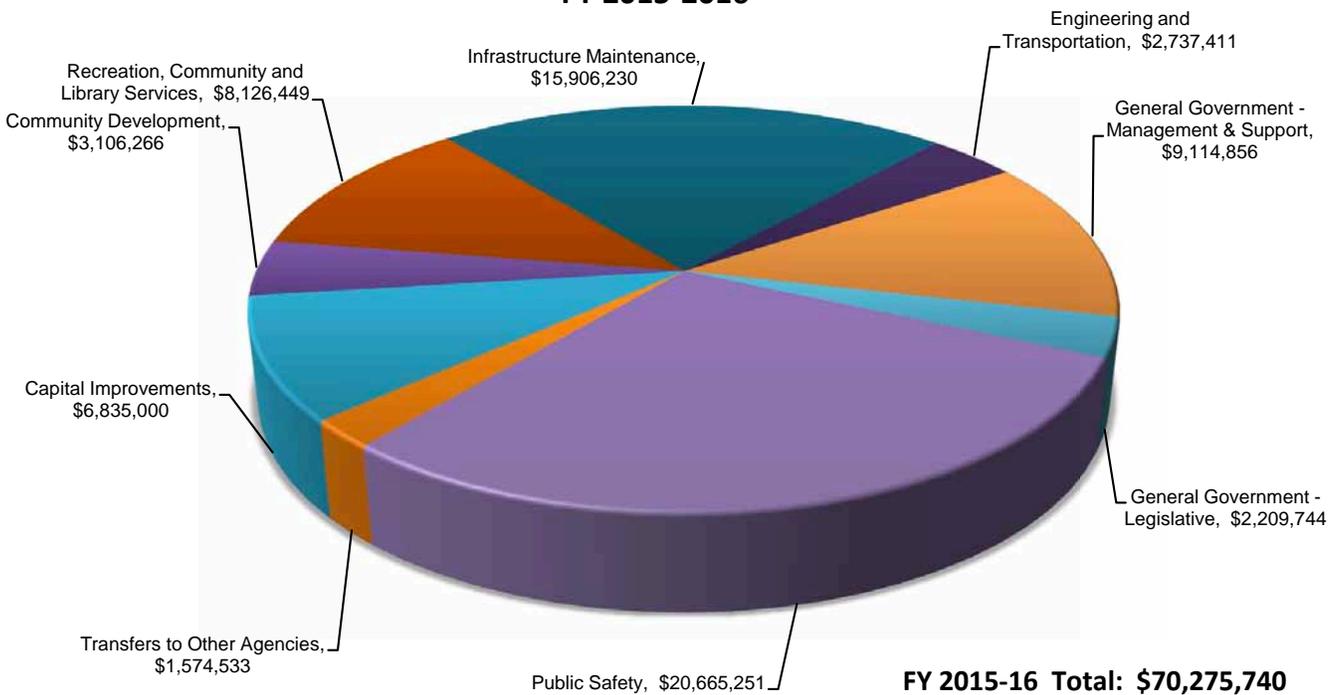


**2015-2017 Budget
Funding Sources and Uses**

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



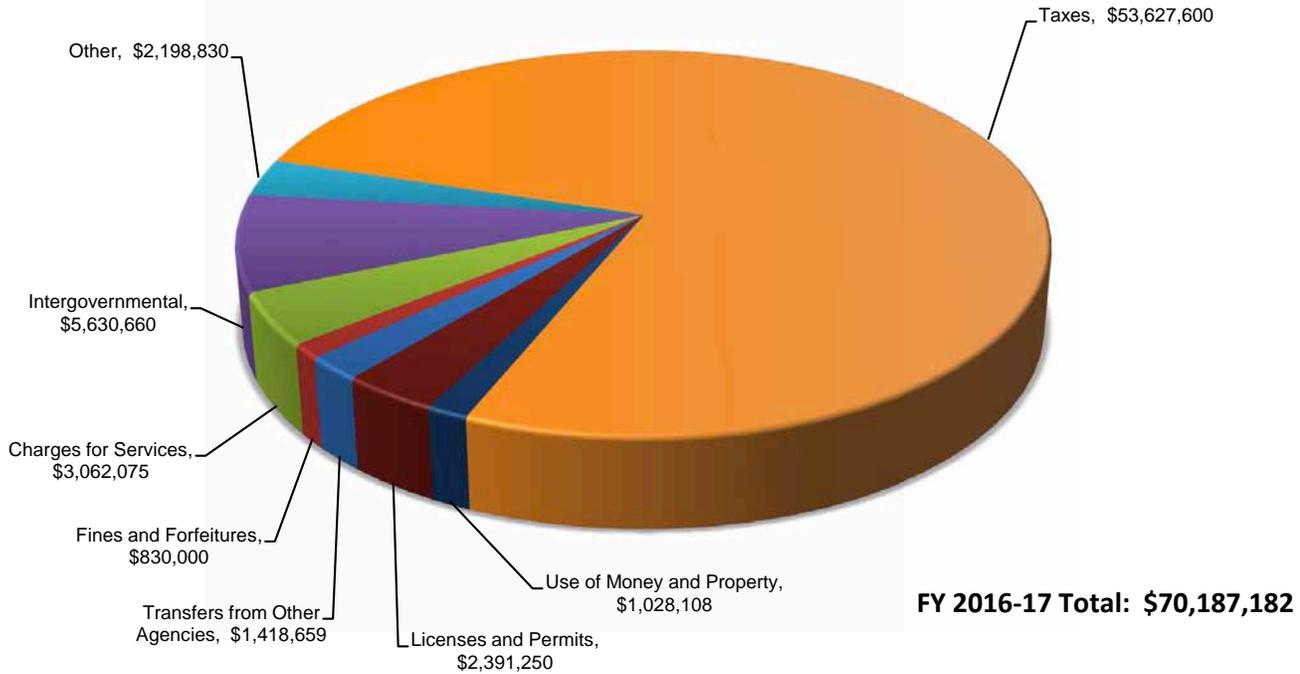
**Where the Money Goes
FY 2015-2016**



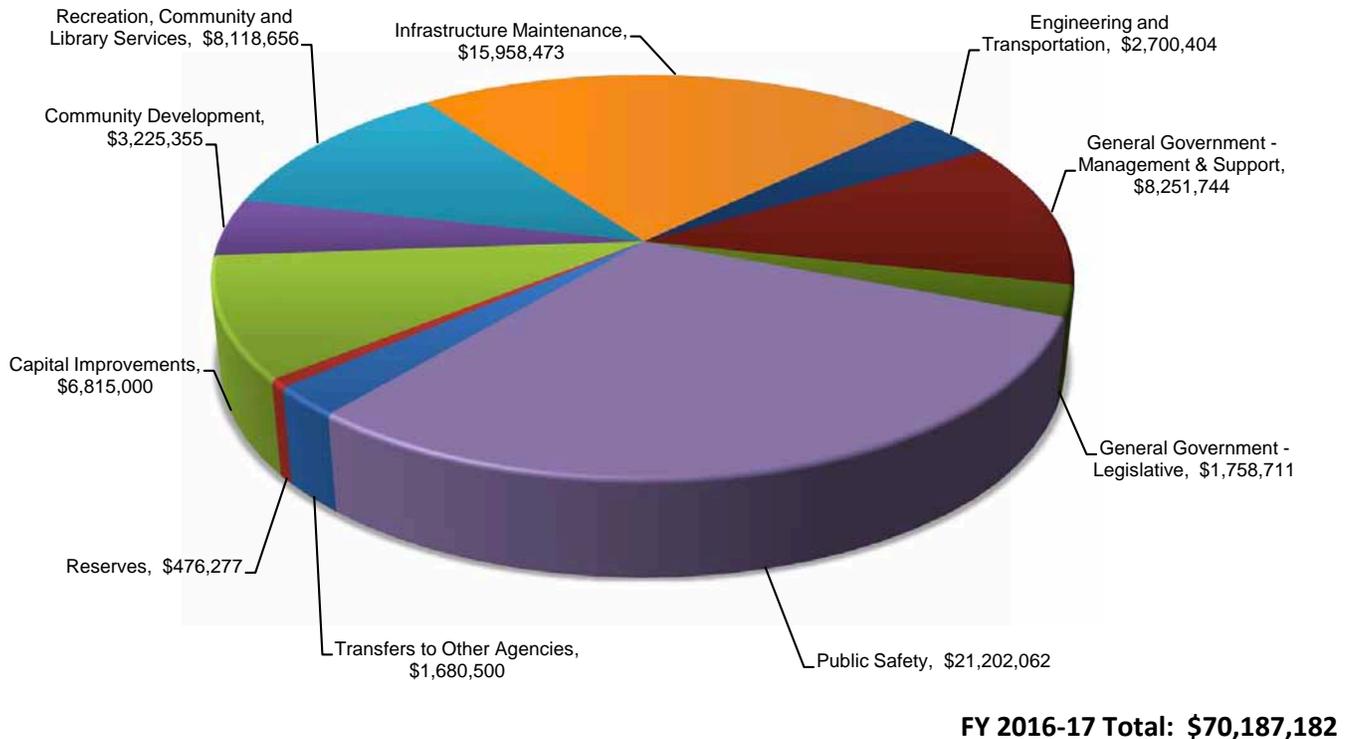


**2015-2017 Budget
Funding Sources and Uses**

**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

Fund #	Fund Description	Estimated Fund Balance 06/30/2015	Estimated Revenues	Operating Budget	Capital Improvement Budget	Total Budget	Interagency / Interfund Transfers	Contribution (from) / to Reserves	Estimated Fund Balance 06/30/16
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
		28,303,245	55,080,955	54,283,230	700,000	54,983,230	(605,074)	(507,349)	27,795,896
201	Library Fund	324,987	2,746,800	3,413,045	-	3,413,045	666,245	-	324,987
202	Suppl Law Enforcement Srvcs 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
	Total All Funds	36,045,509	67,948,523	61,866,208	6,835,000	68,701,207	(928,712)	(1,681,396)	34,364,113

*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
<i>Designated Reserves/Fund Balances</i>					
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
Total Designated Reserves/Fund Balance	16,586,240	(496,000)	-	-	16,090,240
<i>Undesignated Reserves/Fund Balances</i>					
General Fund Contingency Reserve	7,986,171	-	-	275,972	8,262,143
<i>% of General Fund Revenues</i>	15%				15%
Unappropriated Fund Balance	3,192,299	673,646	(684,995)	(2,864)	3,178,086
Total Undesignated Reserves/Fund Balances	11,178,470	673,646	(684,995)	273,108	11,440,229
Grand Total, Discretionary Reserves	27,764,710	177,646	(684,995)	273,108	27,530,469
<i>% of General Fund Revenues</i>	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
Total All City Funds	-	565,900	(1,574,533)	-	-	79,921	(928,712)

(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.



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

FY 2016/17

Fund #	Fund Description	Estimated Fund Balance 06/30/2016	Estimated Revenues	Operating Budget	Capital Improvement Budget	Total Budget	Interagency/ Interfund Transfers	Contribution (from) / to Reserves	Estimated Fund Balance 06/30/17
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
		27,795,896	55,251,363	54,286,049	1,200,000	55,486,049	267,574	32,888	27,828,784
201	Library Fund	324,987	2,783,200	3,355,345	-	3,355,345	572,145	-	324,987
202	Suppl Law Enforcement Srvcs 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 (Af	-	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
	Total All Funds	34,364,113	68,768,523	61,215,404	6,815,000	68,030,404	(261,841)	476,278	34,840,390



**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
<i>Designated Reserves/Fund Balances</i>					
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
Total Designated Reserves/Fund Balance	16,090,240	-	-	-	16,090,240
<i>Undesignated Reserves/Fund Balances</i>					
General Fund					
Contingency Reserve	8,262,143	-	-	25,561	8,287,704
<i>% of General Fund Revenues</i>	<i>15%</i>				<i>15%</i>
Unappropriated Fund Balance	3,178,086	(151,827)	184,715	(25,561)	3,185,414
Total Undesignated Reserves/Fund Balances	11,440,229	(151,827)	184,715	-	11,473,117
Grand Total, Discretionary Reserves	27,530,469	(151,827)	184,715	-	27,563,357
<i>% of General Fund Revenues</i>	<i>50%</i>				<i>50%</i>

*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
Total All City Funds	-	1,335,800	(1,680,500)	-	-	82,859	(261,841)

(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.

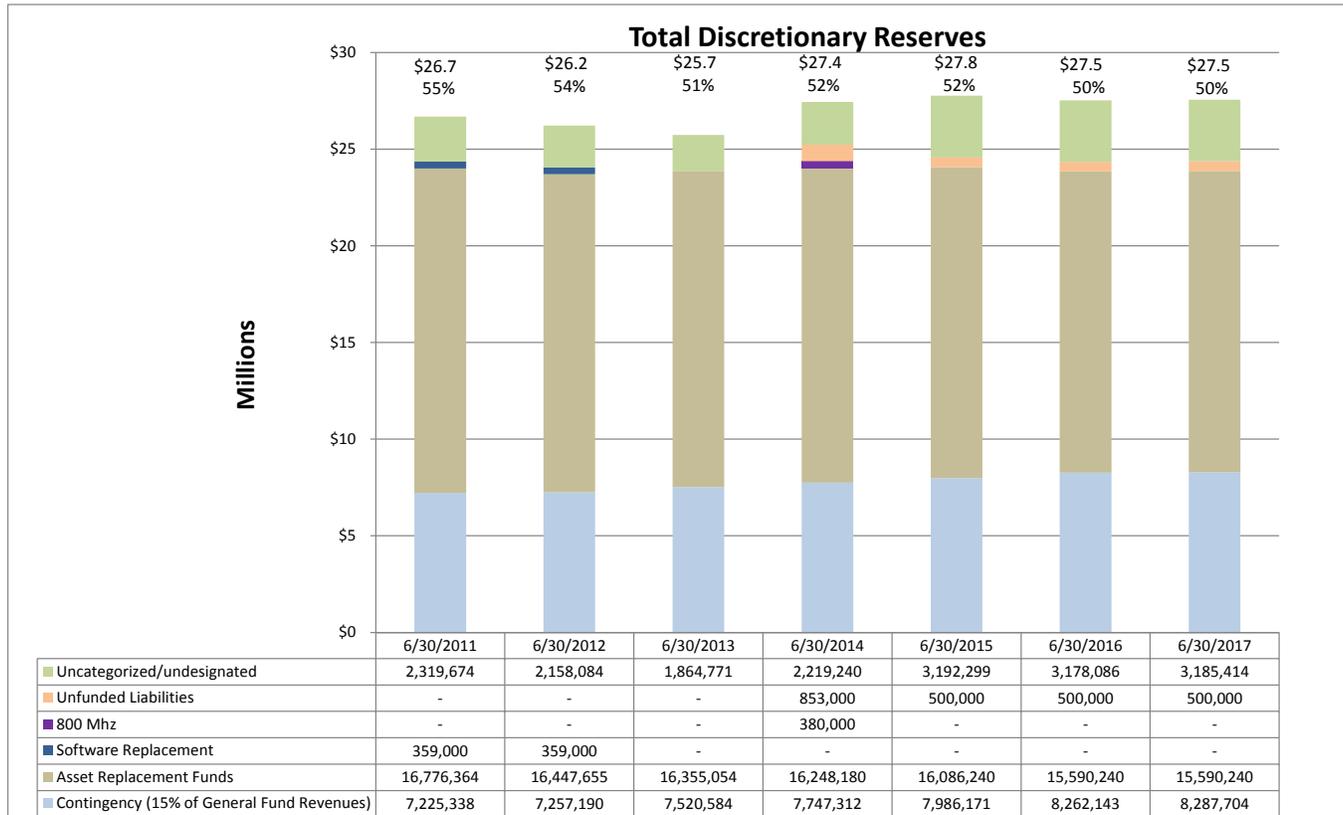
(5) This represents the City's estimated share of the net costs of the animal services operation that also serves the cities of Laguna Niguel and Aliso Viejo.

(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.

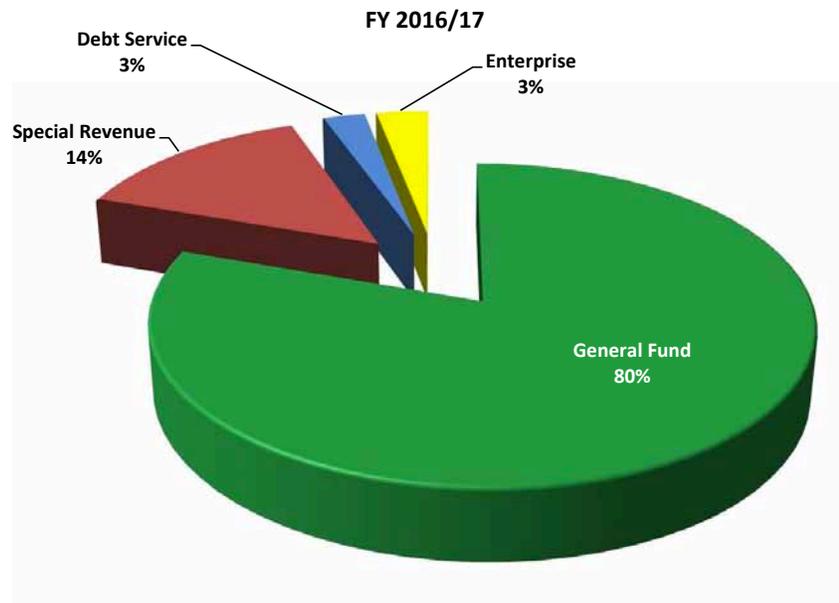
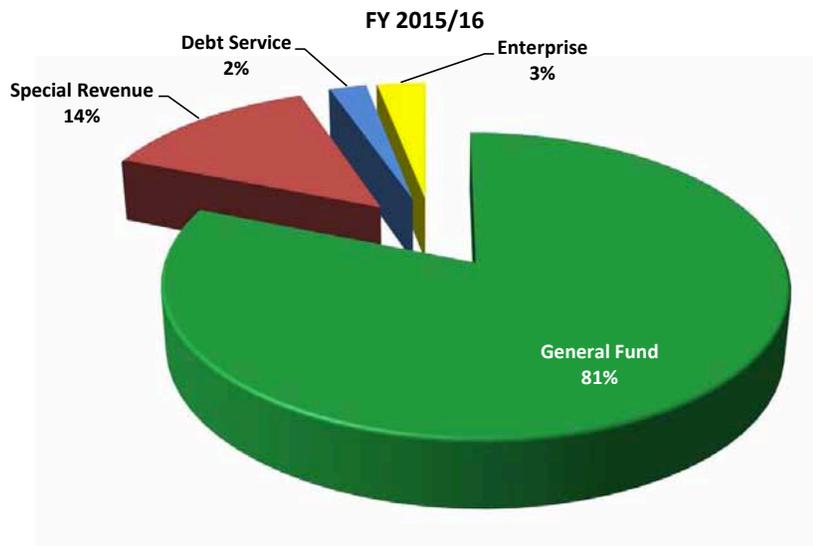
The chart above shows the actual discretionary reserve balances at June 30th for 2011 through 2014 and estimated reserve balances projected for June 30, 2015. The amounts for 2016 and 2017 are projected balances based upon the FY 2015-17 proposed budget. Total discretionary reserves are categorized into 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.



2015-2017 Budget Revenue by Fund Group

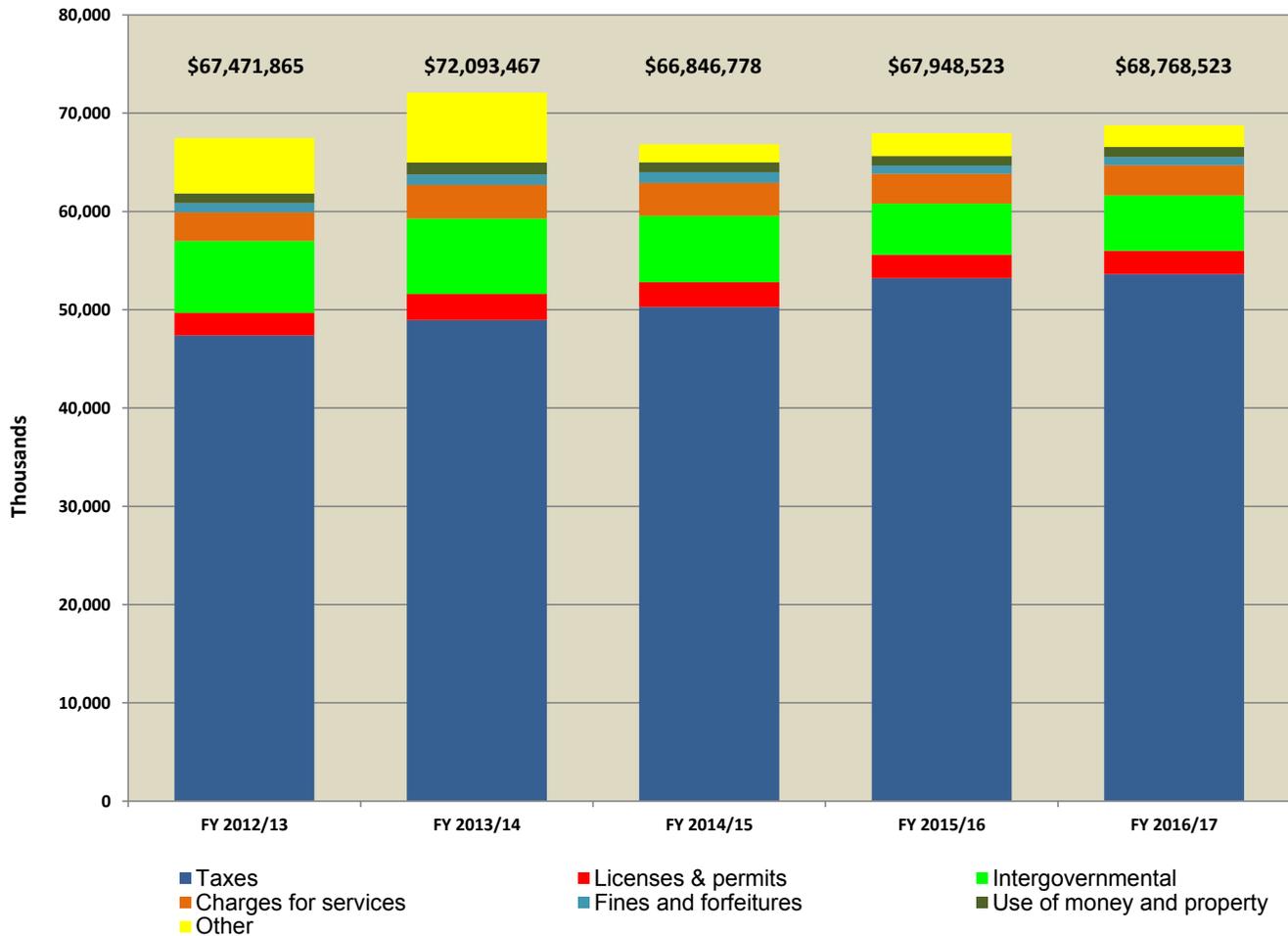
	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
General Fund	\$ 50,499,863	\$ 52,680,301	\$ 53,241,139	\$ 55,080,955	3.5%	\$ 55,251,363	0.3%
Special Revenue	\$ 13,954,586	\$ 15,719,969	\$ 10,074,795	\$ 9,225,835	-8.4%	\$ 9,750,660	5.7%
Debt Service	\$ 1,179,799	\$ 1,410,753	\$ 1,407,184	\$ 1,574,533	11.9%	\$ 1,680,500	6.7%
Enterprise	\$ 1,837,617	\$ 2,282,444	\$ 2,123,660	\$ 2,067,200	-2.7%	\$ 2,086,000	0.9%
Total Revenues	\$ 67,471,865	\$ 72,093,467	\$ 66,846,778	\$ 67,948,523	1.6%	\$ 68,768,523	1.2%

Revenue by Fund Group





2015-2017 Budget
All Funds Revenue by Major Category



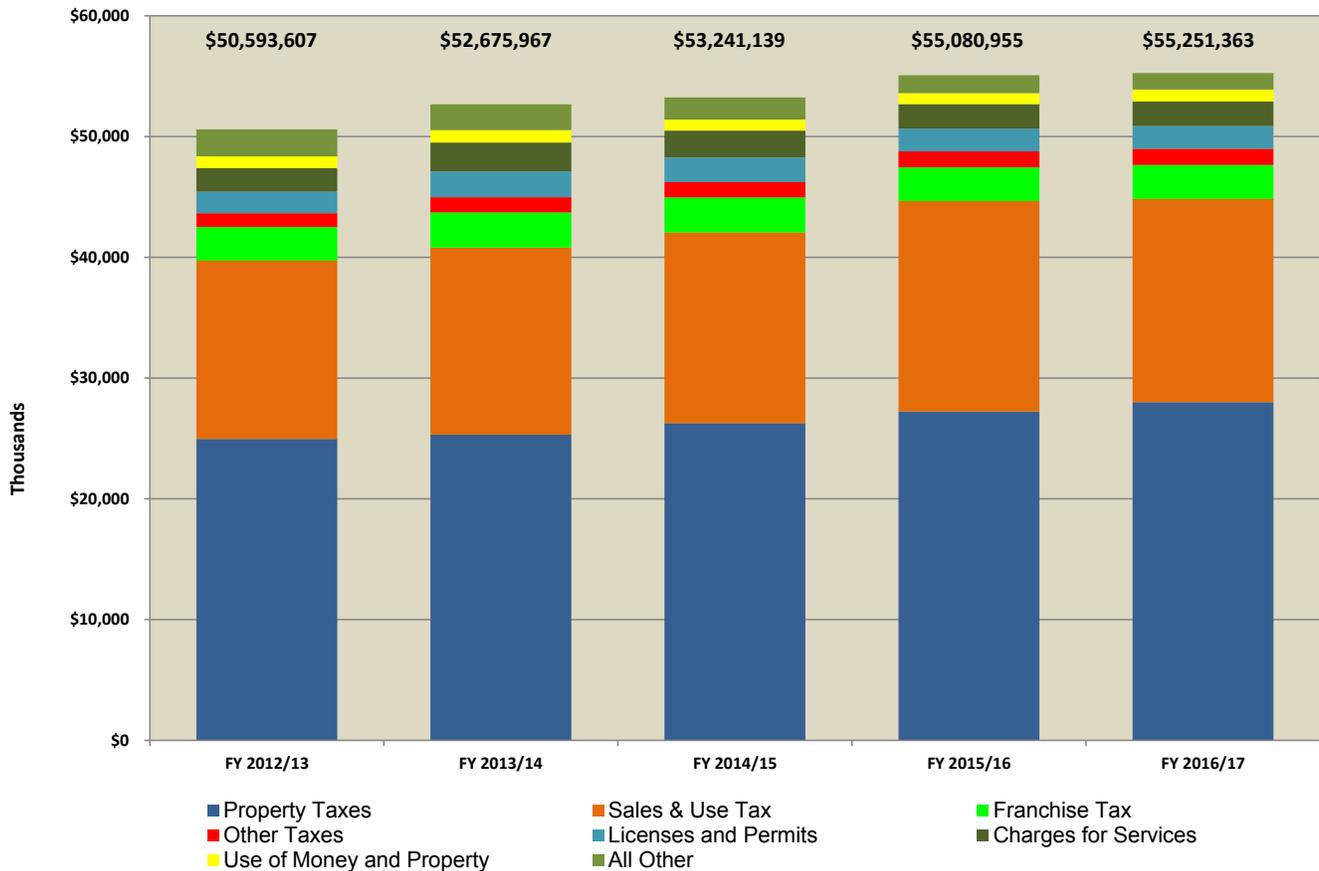
	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Taxes	\$ 47,395,015	\$ 48,958,528	\$ 50,268,612	\$ 53,228,890	5.9%	\$ 53,627,600	0.7%
Licenses & permits	2,298,045	2,643,358	2,552,600	2,381,250	-6.7%	2,391,250	0.4%
Intergovernmental	7,308,097	7,678,896	6,747,930	5,190,235	-23.1%	5,630,660	8.5%
Charges for services	2,918,235	3,411,778	3,339,655	3,047,710	-8.7%	3,062,075	0.5%
Fines and forfeitures	946,040	1,075,331	1,089,155	830,000	-23.8%	830,000	0.0%
Use of money and property	980,267	1,208,296	1,003,027	963,308	-4.0%	1,028,108	6.7%
Other	5,626,166	7,117,280	1,845,799	2,307,130	25.0%	2,198,830	-4.7%
Total Revenues	\$ 67,471,865	\$ 72,093,467	\$ 66,846,778	\$ 67,948,523	1.6%	\$ 68,768,523	1.2%



2015-2017 Budget
General Fund Revenue by Major Source



	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Property Taxes	\$ 24,970,301	\$ 25,327,083	\$ 26,265,200	\$ 27,243,500	3.7%	\$ 28,015,940	2.8%
Property Transfer Tax	511,596	522,333	520,000	540,000	3.8%	540,000	0.0%
Sales & Use Tax	14,756,060	15,479,979	15,802,405	17,431,157	10.3%	16,827,060	-3.5%
Transient Occupancy Tax	630,117	749,316	750,000	775,000	3.3%	800,000	3.2%
Franchise Tax	2,794,389	2,908,188	2,890,000	2,785,000	-3.6%	2,808,000	0.8%
Total Taxes	\$ 43,662,463	\$ 44,986,899	\$ 46,227,605	\$ 48,774,657	5.5%	\$ 48,991,000	0.4%
Licenses and Permits	\$ 1,779,084	\$ 2,123,226	\$ 2,042,200	\$ 1,874,250	-8.2%	\$ 1,874,250	0.0%
Intergovernmental	264,940	232,695	426,008	201,500	-52.7%	201,500	0.0%
Charges for Services	1,950,803	2,391,739	2,222,320	2,034,910	-8.4%	2,042,475	0.4%
Fines and Forfeitures	723,107	838,582	930,655	641,000	-31.1%	641,000	0.0%
Use of Money and Property	971,285	1,041,515	906,427	915,708	1.0%	980,508	7.1%
Other	1,241,925	1,061,311	485,924	638,930	31.5%	520,630	-18.5%
TOTAL General Fund	\$ 50,593,607	\$ 52,675,967	\$ 53,241,139	\$ 55,080,955	3.5%	\$ 55,251,363	0.3%





2015-2017 Budget
Revenue by Fund, Major Category and Object

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
General Fund Group							
General Fund							
Property Taxes	24,970,301	25,327,083	26,265,200	27,243,500	3.7%	28,015,940	2.8%
Property Transfer Tax	511,596	522,333	520,000	540,000	3.8%	540,000	0.0%
Sales and Use Tax	14,756,060	15,479,979	15,802,405	17,431,157	10.3%	16,827,060	-3.5%
Transient Occupancy Tax	630,117	749,316	750,000	775,000	3.3%	800,000	3.2%
Franchise Taxes	2,794,389	2,908,188	2,890,000	2,785,000	-3.6%	2,808,000	0.8%
Total Taxes	43,662,463	44,986,899	46,227,605	48,774,657	5.5%	48,991,000	0.4%
Special Licenses	11,200	10,800	9,200	9,200	0.0%	9,200	0.0%
Private Property Develop Perm	1,475,306	1,756,930	1,633,500	1,518,000	-7.1%	1,518,000	0.0%
Public Prop Encroach Permit	292,578	355,496	399,500	347,050	-13.1%	347,050	0.0%
Total Licenses & Permits	1,779,084	2,123,226	2,042,200	1,874,250	-8.2%	1,874,250	0.0%
Intergovtl-Federal Grants	30,870	18,249	-	-	-	-	-
Intergovtl-State Grants	-	-	176,000	-	-100.0%	-	-
Intergovtl-State Other Subv	182,436	171,713	188,730	185,000	-2.0%	185,000	0.0%
Intergovtl-St Motor Veh InLieu	51,634	42,733	41,278	-	-100.0%	-	-
Intergovtl-County- Other	-	-	20,000	16,500	-17.5%	16,500	0.0%
Total Intergovernmental	264,940	232,695	426,008	201,500	-52.7%	201,500	0.0%
City Clerk Service Charges	659	2,465	1,000	700	-30.0%	-	-
Finance Service Charges	845	809	-	-	-	-	-
Information Technology Contract Services	-	45,224	75,000	9,135	-87.8%	-	-100.0%
Special Police Services	232	140	520	520	0.0%	520	0.0%
Zoning Fees and Subdiv Fees	95,697	140,047	189,800	129,700	-31.7%	143,600	10.7%
Plan Checking Fees	362,375	637,528	422,000	370,150	-12.3%	370,150	0.0%
Engineer Fees/Inspections/Othr	42,549	94,457	47,000	19,800	-57.9%	19,800	0.0%
Parks and Recreation Fees	73,717	64,334	78,000	65,000	-16.7%	65,000	0.0%
Tennis Fees	262,509	350,099	342,000	341,500	-0.1%	342,000	0.1%
Recreation Center Fees	1,112,220	1,056,636	1,067,000	1,098,405	2.9%	1,101,405	0.3%
Total Charges for Services	1,950,803	2,391,739	2,222,320	2,034,910	-8.4%	2,042,475	0.4%
Vehicle Code Fines	454,296	465,552	450,000	450,000	0.0%	450,000	0.0%
Other Fines	12,118	17,411	1,000	1,000	0.0%	1,000	0.0%
Forfeitures	118,666	198,681	369,655	80,000	-78.4%	80,000	0.0%
Penalties	138,027	156,938	110,000	110,000	0.0%	110,000	0.0%
Total Fines and Forfeitures	723,107	838,582	930,655	641,000	-31.1%	641,000	0.0%
Investment Earnings	149,102	194,416	100,000	100,000	0.0%	150,000	50.0%
Rents & Concessions	822,183	847,099	806,427	815,708	1.2%	830,508	1.8%
Total Use of Money and Property	971,285	1,041,515	906,427	915,708	1.0%	980,508	7.1%
Other Developer Fees	10,000	-	-	38,000	-	-	-100.0%
Reimbursements	1,203,336	833,318	370,441	416,630	12.5%	367,330	-11.8%
Sale of Publications	97	69	-	-	-	-	-
Donations	14,332	97,226	48,845	126,500	159.0%	90,500	-28.5%
Proceeds - Litigation	185	136	-	-	-	-	-
Other Miscellaneous	13,975	130,562	66,638	57,800	-13.3%	62,800	8.7%
Total Other	1,241,925	1,061,311	485,924	638,930	31.5%	520,630	-18.5%
Total General Fund	50,593,607	52,675,967	53,241,139	55,080,955	3.5%	55,251,363	0.3%
CDA Admin Costs							
Investment Earnings	-	(180)	-	-	-	-	-
Total CDA Admin Costs	-	(180)	-	-	-	-	-
Computer/Equip/Furn/Veh Repl							
Investment Earnings	(17,774)	(194)	-	-	-	-	-
Capital Asset Disposal	4,102	8,488	-	-	-	-	-
Total Computer/Equip/Furn/Veh Repl	(13,672)	8,294	-	-	-	-	-



2015-2017 Budget
Revenue by Fund, Major Category and Object

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Facility Rehab/Replacement							
Investment Earnings	(80,072)	(3,780)	-	-		-	
Total Facility Rehab/Replacement	(80,072)	(3,780)	-	-		-	
Total General Fund Group	50,499,863	52,680,301	53,241,139	55,080,955	3.5%	55,251,363	0.3%
Special Revenue Fund Group							
Library Fund							
Taxes Property Taxes	2,133,926	2,135,474	2,213,823	2,290,100	3.4%	2,364,500	3.2%
Total Taxes	2,133,926	2,135,474	2,213,823	2,290,100	3.4%	2,364,500	3.2%
Intergovtl-Federal Grants	7,992	36,000	21,500	-		-	
Intergovtl-State Grants	-	6,283	-	6,200	100.0%	6,200	0.0%
Intergovtl-State Other Subv	16,214	15,550	15,500	15,500	0.0%	15,500	0.0%
Intergovtl-Other Shared Rev	113,722	70,065	180,000	90,000	-50.0%	92,000	2.2%
Total Intergovernmental	137,928	127,898	217,000	111,700	-48.5%	113,700	1.8%
Engineer Fees/Inspections/Othr	-	-	-	-		-	
Library Fees	200,513	214,142	180,000	177,000	-1.7%	177,000	0.0%
Total Charges for Services	200,513	214,142	180,000	177,000	-1.7%	177,000	0.0%
Other Fines	115,940	105,010	95,000	95,000	0.0%	95,000	0.0%
Total Fines and Forfeitures	115,940	105,010	95,000	95,000	0.0%	95,000	0.0%
Investment Earnings	431	2,557	1,000	1,000	0.0%	1,000	0.0%
Rents & Concessions	16,906	14,785	15,000	15,000	0.0%	15,000	0.0%
Total Use of Money and Property	17,337	17,342	16,000	16,000	0.0%	16,000	0.0%
Developer Fees	-	-	-	40,000	100.0%	-	-100.0%
Other Reimbursements	44,347	6,845	13,200	5,000	-62.1%	5,000	0.0%
Other Miscellaneous	17,464	18,020	13,000	12,000	-7.7%	12,000	0.0%
Total Other	61,811	24,865	26,200	57,000	117.6%	17,000	-70.2%
Total Library Fund	2,667,455	2,624,731	2,748,023	2,746,800	0.0%	2,783,200	1.3%
Suppl Law Enforcement Srvcs Fd							
Intergovtl-State Other Subv	154,826	155,765	150,000	150,000	0.0%	150,000	0.0%
Total Suppl Law Enforcement Srvcs Fund	154,826	155,765	150,000	150,000	0.0%	150,000	0.0%
OCTA Fund Exchange Fund							
Intergovtl-County Shared Rev	1,981,452	-	-	-		-	
Total OCTA Fund Exchange Fund	1,981,452	-	-	-		-	
State Gas Tax Fund							
Intergovtl-State Gas Tax	2,270,460	3,133,544	2,851,113	2,119,960	-25.6%	2,119,960	0.0%
Investment Earnings	(3,246)	656	2,000	1,000	-50.0%	1,000	0.0%
Other Reimbursements	309,600	156,750	-	-		-	
Other Miscellaneous	-	(10,000)	-	-		-	
Total State Gas Tax Fund	2,576,814	3,280,950	2,853,113	2,120,960	-25.7%	2,120,960	0.0%
Gas Tax - 2107.5 Fund							
Intergovtl-State Gas Tax	10,000	10,000	10,000	10,000	0.0%	10,000	0.0%
Investment Earnings	68	352	-	-		-	
Total Gas Tax - 2107.5 Fund	10,068	10,352	10,000	10,000	0.0%	10,000	0.0%
Crown Valley Corridor Fee Fund							
Investment Earnings	57	205	-	-		-	
Total Crown Valley Corridor Fee Fund	57	205	-	-		-	



2015-2017 Budget
Revenue by Fund, Major Category and Object

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Air Quality Imprvmnt Trust Fd							
Intergovtl-State Other Subv	113,125	116,681	115,200	118,400	2.8%	118,400	0.0%
Investment Earnings	1,231	1,267	1,000	1,000	0.0%	1,000	0.0%
Total Air Quality Imprvmnt Trust Fund	114,356	117,948	116,200	119,400	2.8%	119,400	0.0%
Measure M Sales Tax-Apprtmnt Fd							
Investment Earnings	2,490	1,700	-	-		-	
Other Reimbursements	276,381	-	-	-		-	
Total Measure M Sales Tax-Apprtmnt Fund	278,871	1,700	-	-		-	
Measure M-Growth Mgmt Area9 Fd							
Intergovtl-County Grant	104,068	20,000	-	-		-	
Investment Earnings	-	-	-	-		-	
Total Measure M-Growth Mgmt Area9 Fund	104,068	20,000	-	-		-	
Sr Center Operations Fund - Moved to Senior Mobility Grant Fund							
Intergovtl-County Grant	30,671	120,344	100,000	-	-100.0%	-	
Recreation Center Fees	39,232	37,582	36,875	-	-100.0%	-	
Investment Earnings	696	977	800	-	-100.0%	-	
Rents & Concessions	46,939	52,298	44,000	-	-100.0%	-	
Donations	3,795	4,188	7,000	-	-100.0%	-	
Proceeds - Litigation	258	-	-	-		-	
Miscellaneous	800	824	800	-	-100.0%	-	
Total Sr Center Operations Fund	122,391	216,213	189,475	-	-100.0%	-	
Senior Mobility Grant							
Intergovtl-County Grant	-	-	-	114,000	100.0%	114,000	0.0%
Total Senior Mobility Grant Fund	-	-	-	114,000		114,000	
Measure M-GrowthMgmt Area10 Fd							
Intergovtl-County Grant	13,200	-	-	-		-	
Investment Earnings	12	-	-	-		-	
Total Measure M-GrowthMgmt Area10 Fund	13,212	-	-	-		-	
Measure M-Intersection Fund							
Intergovtl-County Grant	386,983	-	-	-		-	
Total Measure M-Intersection Fund	386,983	-	-	-		-	
Measure M-Signal Fund							
Intergovtl-County Grant	-	189,780	-	-		-	
Total Measure M-Signal Fund	-	189,780	-	-		-	
Park Development Fees Fund							
Investment Earnings	25,277	58,154	-	-		-	
Developer Fees	3,236,060	4,800,000	10,000	1,000,000	9900.0%	-	-100.0%
Total Park Development Fees Fund	3,261,337	4,858,154	10,000	1,000,000	9900.0%	-	-100.0%
Trans Eqty Act-ISTEA Fund							
Intergovtl-Federal Grants	-	183,072	-	-		-	
Total Trans Eqty Act-ISTEA Fund	-	183,072	-	-		-	
Regional Narcotics Suppression							
Forfeitures	2,076	14,232	-	-		-	
Investment Earnings	7	60	-	-		-	
Total Regional Narcotics Suppression Fund	2,083	14,292	-	-		-	



2015-2017 Budget
Revenue by Fund, Major Category and Object

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Federal Hwy Bridge Repl/RehbFd							
Intergovtl-Federal Grants	(127,830)	-	-	-		-	
Investment Earnings	617	-	-	-		-	
Reimbursements	327,352	-	-	-		-	
Total Federal Hwy Bridge Repl/Rehb Fund	200,139	-	-	-		-	
Comm Development Block Grant							
Intergovtl-Federal Grants	294,949	203,472	1,153,201	554,479	-51.9%	400,000	-27.9%
Reimbursements	-	68,069	-	-		-	
Total Comm Development Block Grant	294,949	271,541	1,153,201	554,479	-51.9%	400,000	-27.9%
MV Foundation Fund							
Other Donations	5,000	-	-	-		-	
Total MV Foundation Fund	5,000	-	-	-		-	
SCRIP Fund							
Developer Fees	-	-	530,000	600,000	13.2%	1,650,000	175.0%
Total SCRIP Fund	-	-	530,000	600,000	13.2%	1,650,000	
Misc Federal Grants Fund							
Intergovtl-Federal Grants	-	29,916	15,500	-	-100.0%	-	
Total Misc Federal Grants Fund	-	29,916	15,500	-	-100.0%	-	
Prop 1B/State InfrastructureBd							
Reimbursements	-	574,000	-	-		-	
Total Prop 1B/State InfrastructureBd	-	574,000	-	-		-	
Misc State Grants Fund							
Intergovtl-State Grants	63,729	-	-	-		-	
Reimbursements	-	-	-	-		-	
Total Misc State Grants Fund	63,729	-	-	-		-	
Measure M 2 SlsTx-Apprtnmt Fd							
Intergovtl-County Shared Rev	1,327,944	1,379,672	1,467,608	1,570,196	7.0%	1,663,100	5.9%
Investment Earnings	(2,210)	1,988	2,000	-	-100.0%	-	
Other Reimbursements	-	-	387,375	-	-100.0%	-	
Total Measure M 2 SlsTx-Apprtnmt Fund	1,325,734	1,381,660	1,856,983	1,570,196	-15.4%	1,663,100	5.9%
ARRA (Stimulus) Fund							
Intergovtl-Federal Grants	131,652	-	-	-		-	
Total ARRA (Stimulus) Fund	131,652	-	-	-		-	
Measure M2-ArtrlCapEnhanceFd							
Intergovtl-County Grant	-	1,462,874	-	-		-	
Total Measure M2-ArtrlCapEnhance Fund	-	1,462,874	-	-		-	
Safe Route to School Grant							
Reimbursements	109,410	13,633	-	-		-	
Total Safe Route to School Grant	109,410	13,633	-	-		-	



2015-2017 Budget
Revenue by Fund, Major Category and Object

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Measure M2-Env Cleanup Program (ECP) Fund							
Intergovtl-County Grants	150,000	48,641	-	200,000	100.0%	200,000	0.0%
Reimbursements	-	-	200,000	-	-100.0%	-	-
Total Measure M2-Env Cleanup Prog (ECP) Fund	150,000	48,641	200,000	200,000	0.0%	200,000	0.0%
Highway Safety Imp Program (HSIP) Fund							
Intergovtl-Federal Grant	-	22,242	-	-	-	-	-
Total Highway Safety Imp (HSIP) Fund	-	22,242	-	-	-	-	-
OC Muni Water District Grant							
Intergovtl-County Grants	-	242,300	242,300	40,000	-83.5%	40,000	0.0%
Total OC Muni Water District Grant Fund	-	242,300	242,300	40,000	-83.5%	40,000	0.0%
M2 Arterial Pavement Management Grant							
Intergovtl-County Grants	-	-	-	-	-	500,000	100.0%
Total M2 Arterial Pavement Management Grant	-	-	-	-	-	500,000	100.0%
Total Special Revenue Fund Group	13,954,586	15,719,969	10,074,795	9,225,835	-8.43%	9,750,660	5.7%
Debt Service Fund Group							
MV Mall Parking Lease Fund							
Sales and Use Tax	1,179,693	1,410,755	1,407,184	1,574,533	11.9%	1,680,500	6.7%
Investment Earnings	106	(2)	-	-	-	-	-
Total MV Mall Parking Lease Fund	1,179,799	1,410,753	1,407,184	1,574,533	11.9%	1,680,500	6.7%
Total Debt Service Fund Group	1,179,799	1,410,753	1,407,184	1,574,533	11.9%	1,680,500	6.7%



2015-2017 Budget
Revenue by Fund, Major Category and Object

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Enterprise Fund Group							
Mission Viejo Television Fund							
Franchise Taxes	139,552	140,884	140,000	275,600	96.9%	277,600	0.7%
Service Charges-MVTV	580	360	400	400	0.0%	400	0.0%
City Clerk Service Charges	-	60	-	-	-	-	-
Investment Earnings	905	2,615	2,000	500	-75.0%	500	0.0%
Total Mission Viejo Television Fund	141,037	143,919	142,400	276,500	94.2%	278,500	0.7%
Mission Viejo TV Capital Fund							
Franchise Taxes	279,381	284,516	280,000	314,000	12.1%	314,000	0.0%
Investment Earnings	(203)	1,749	500	500	0.0%	500	0.0%
Total Mission Viejo TV Capital Fund	279,178	286,265	280,500	314,500	12.1%	314,500	0.0%
Animal Services Fund							
Animal Licenses	503,836	503,432	501,400	502,000	0.1%	502,000	0.0%
Animal Permits	15,125	16,700	9,000	5,000	-44.4%	15,000	200.0%
Animal Shelter Fees & Charges	134,135	132,815	140,700	133,800	-4.9%	133,800	0.0%
Animal Svcs-Intergovtl Svc Chg	592,972	635,080	759,360	701,600	-7.6%	708,400	1.0%
Other Fines	104,917	117,492	63,500	94,000	48.0%	94,000	0.0%
Penalties	-	15	-	-	-	-	-
Investment Earnings	1,008	12,882	10,000	10,000	0.0%	10,000	0.0%
Rents & Concessions	15,737	18,692	18,300	18,600	1.6%	18,600	0.0%
Reimbursements	3,100	109,636	100,000	-	-100.0%	-	-
Donations	42,905	512,497	98,000	10,000	-89.8%	10,000	0.0%
Miscellaneous	4,342	4,472	500	1,200	140.0%	1,200	0.0%
Capital Asset Disposal	(675)	(211,453)	-	-	-	-	-
Total Animal Services Fund	1,417,402	1,852,260	1,700,760	1,476,200	-13.2%	1,493,000	1.1%
Total Enterprise Fund Group	1,837,617	2,282,444	2,123,660	2,067,200	-2.7%	2,086,000	0.9%
Total Revenues	67,471,865	72,093,467	66,846,778	67,948,523	1.6%	68,768,523	1.2%



CITY OF MISSION VIEJO
Explanation of Revenue Sources, 2015-17

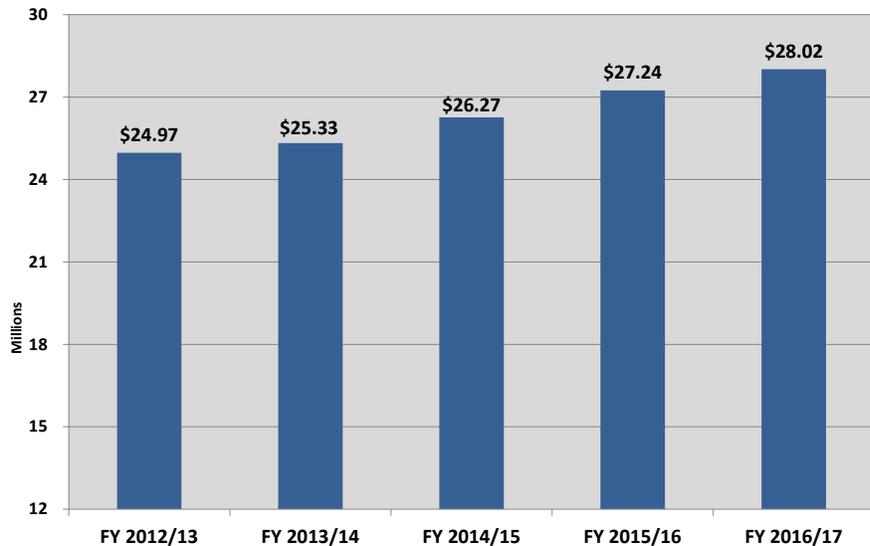
GENERAL FUND GROUP REVENUES

GENERAL FUND

Property Taxes

The constitution of the State of California, as amended by Proposition 13 in 1978 (e.g., Article XIII), sets the maximum property tax rate at 1% of assessed value. Furthermore, increases to the tax rate are limited to 2% or the annual change in inflation, whichever is less.

Property tax revenue represents the largest single source of revenue for the City of Mission Viejo. For FY 2015/16 General Fund property tax revenue is projected to be \$27.24 million, which represents 49.5% of total General Fund revenue. The following year, General Fund property tax is projected to be \$28.02 million, also 49.5% of total General Fund revenue. The amount of property tax revenue recorded in the General Fund represents 40.0% of total City revenues in both FY 2015/16 and FY 2016/17.



General Fund Property Tax Revenue, FY 2012/13- FY 2015/16

Total property tax revenue – which is comprised of property tax proceeds recorded in the General Fund and the Library Services Fund – represents 43.3% of total revenue for the 2015-17 budget period (see the Library Services Fund description below for additional information on the property tax revenue recorded in that fund).

Assessed values in Orange County have grown steadily since 2010. The City’s total assessed value of property (secured and unsecured) as of January 1, 2014, is approximately \$13.64 billion. This amount represents an increase of 2.3% over the prior year. Changes to total assessed value directly impact the amount of property tax revenue the City receives.

Property tax revenue is projected to increase 3.7% in FY 2015/16 over the amended FY 2014/15 budget and increase 2.8% in FY 2016/17. While these changes are modest, they represent five straight years of growth in property tax revenue after three successive years of decline caused by the recession, which dramatically impacted the real estate market.

Sales and Use Taxes

Sales and use tax revenue is the second largest revenue source for the City behind property tax revenue. Sales tax revenue represents 31.6% of total General Fund revenue for FY 2015/16 and 29.7% for FY 2016/17.

The sales and use tax is collected and apportioned by the State Board of Equalization. Up until FY 2004/05, the City received a full 1% of the total sales tax collected, based on sales within its jurisdiction. However, as a result of Proposition 57, beginning in FY 2004/05 the local sales tax rate was reduced by 0.25% and the State rate was increased by 0.25%. This was done in order to repay the fiscal recovery bonds floated by the State.

Under this arrangement due to Proposition 57 (known as the “triple-flip”), cities are reimbursed dollar for dollar with additional property tax for the 0.25% “lost,” or retained by the State in order to back the economic recovery bonds. (The reimbursement is recorded in our books as sales tax, consistent with accounting guidelines.) This swapping of sales tax will last until the economic recovery bonds are paid off by the State, which the State is



CITY OF MISSION VIEJO
Explanation of Revenue Sources, 2015-17

reporting will be July 2015. The “unwinding” of the triple flip is expected to take two quarters, meaning the City will again receive the full 1% of total sales tax collected from point of sale transactions with the first sales tax quarter of calendar year 2016.

Sales tax revenue estimates are based on input from the City’s sales tax consultant, past revenue trends and retail sales projections of anticipated new retailers within the City. Local retail activity has picked up over the past few years as the economy has recovered. Sales tax is expected to increase by 10.3% in FY 2015/16 from FY 2014/15 budget levels, to \$17.4 million. The FY 2015/16 projection includes 4 quarters of sales tax revenue, plus an amount equal to 1 quarter of triple flip revenue. This additional revenue is expected to be \$1.1 million and relates to the March 1, 2015 to June 30, 2015 quarter. This is a one-time inflow of revenue and is a result of the unwinding of the triple flip and making the City whole for all sales tax revenue collected by the State for periods through June 30, 2015. Because this is a one-time inflow of resources, the FY 2016/17 projection will decrease by 3.5%.

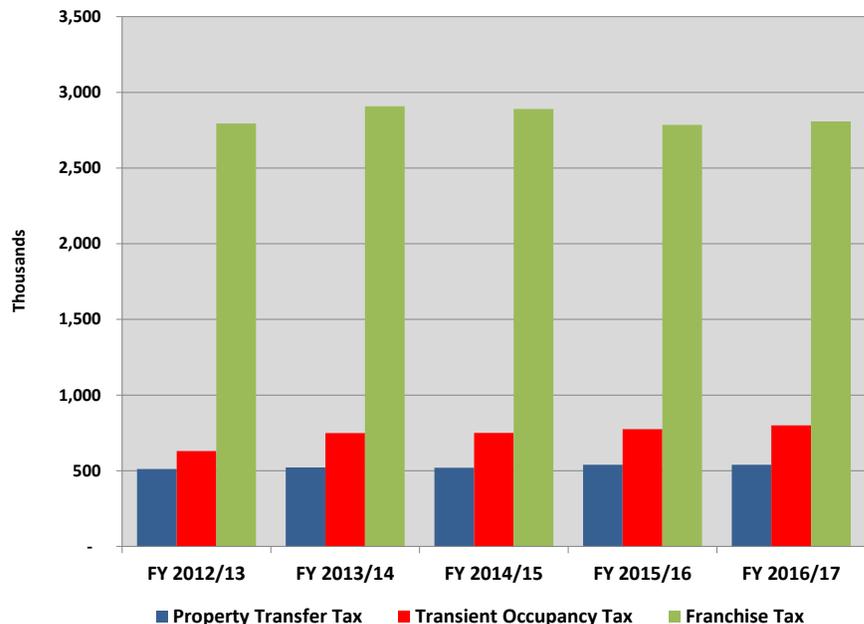


General Fund Sales and Use Tax, FY 2012/13- FY 2015/17

In 1997 the City and the Community Development Agency of Mission Viejo formed the Mission Viejo Community Development Financing Authority (CDFA), a joint exercise of powers authority, for the purpose of issuing bonds to fund public improvements at the “Shops at Mission Viejo.” Debt service on the bonds is partially paid from available mall sales tax revenue, which is defined as an amount limited to 50% of annual sales tax revenue generated by the renovated mall subject to the City receiving at least \$1.5 million plus inflationary growth on that amount. The City’s share of mall sales tax is estimated to be \$2.14 million in FY 2015/16 and will grow to \$2.18 million by FY 2016/17. This amount is included in the above General Fund sales tax estimate. The portion of sales tax from the “Shops at Mission Viejo” to be devoted to debt service is not included in the above amounts, but rather is recorded in the separate Mission Viejo Mall Parking Lease Fund.

Franchise Taxes

Franchise Taxes are imposed by the City on gas, electric, cable television and refuse and recycling companies for the privilege of using City streets and rights-of-way for the transport of their goods and services. Each company is assessed a franchise fee that is contractually set at between one and five percent of gross receipts. This revenue source is estimated to generate a total of \$2.8 million for the City during both FY 2015/16 and FY 2016/17, which is a decline from FY 2014/15 of \$105,000. This decline is a result of shifting approximately \$120,000 of cable television franchise tax revenue from the General Fund to the





CITY OF MISSION VIEJO
Explanation of Revenue Sources, 2015-17



Mission Viejo Television (MVTV) Fund to support MVTV programming.

Franchise tax revenue remains relatively stable from year to year (see previous, green bars) and generally will reflect increases as population increases occur.

Transient Occupancy Tax

The City of Mission Viejo Municipal Code authorizes the City to levy a tax for the privilege of occupying hotel rooms and lodgings on a transient basis. The Transient Occupancy Tax (TOT) rate has been set at 8% since the City’s incorporation. As with other sources of revenue which rely on discretionary spending habits, TOT revenue has a correlation with the health of the economy. TOT revenue has grown each year over the last five years and is expected to grow over the next two year budget cycle. For FY 2015/16, TOT revenue is projected to be \$775,000; in FY 2016/17 this is projected to increase to \$800,000. In part, this growth will be due to the opening of a Hampton Inn in late 2015 at the corner of Avery Parkway and Marguerite Parkway.

Property Transfer Tax

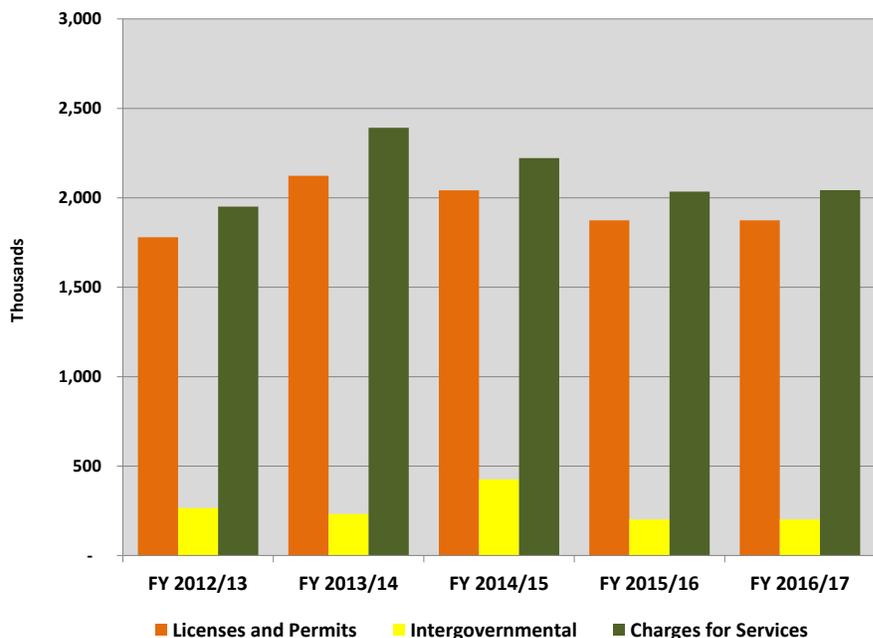
The California Government Code authorizes the County of Orange to impose a transfer tax on real property sold at the rate of \$1.10 per \$1,000 of assessed value. The proceeds from this tax are then split 50/50 between the County and the city in which the property sale occurs. This revenue source is tied to the health of the real estate market and the City has experienced growth year over year since FY 2011/12. This revenue source is projected to be \$540,000 for both FY 2015/16 and FY 2016/17, which is 3.8% higher than FY 2014/15.

Licenses and Permits

The California Government Code and the State Constitution give cities the authority to assess certain license and permit fees as a means of recovering the cost of regulating various activities. Examples of these activities include building permits, construction permits, and engineering permits for grading and inspection services.

Revenue from the various categories of licenses and permits for FY 2015/16 is anticipated to be \$1.9 million, a 8.2% decrease from the FY 2014/15 amended budget. The following year, revenue is projected to remain flat at \$1.9 million.

License and permit revenue will fluctuate from year to year and is based upon the level of residential and commercial building improvement and new development activity. The City saw a significant increase in activity beginning in FY 12/13 and continuing through FY 2013/14 due to license and permit revenue received from two major housing development projects: a UDR apartment complex project on Los Alisos, east of Marguerite Parkway and the Watermarke project on Oso Parkway between the I/5 freeway and Marguerite Parkway. This revenue dropped only slightly during FY 14/15 as license and permit revenue was received for the Skyridge project off El Toro Road. For FY 2015/16, permit revenue is expected to decline as there are no other major residential projects planned; however revenue is expected for the development of a medical office building located in a section of the parking lot at the Shops at Mission Viejo.





CITY OF MISSION VIEJO
Explanation of Revenue Sources, 2015-17

Intergovernmental

Cities receive revenue from other government agencies, principally from the State and Federal governments. These revenues include monies called subventions, as well as grants for specific projects and reimbursements related to State mandated activities or disaster/emergency declarations. This revenue can fluctuate from year to year and is generally not relied upon to fund on-going programs and activities.

The estimate for total Intergovernmental revenue is \$201,500 for FY 2015/16 and FY 2016/17.

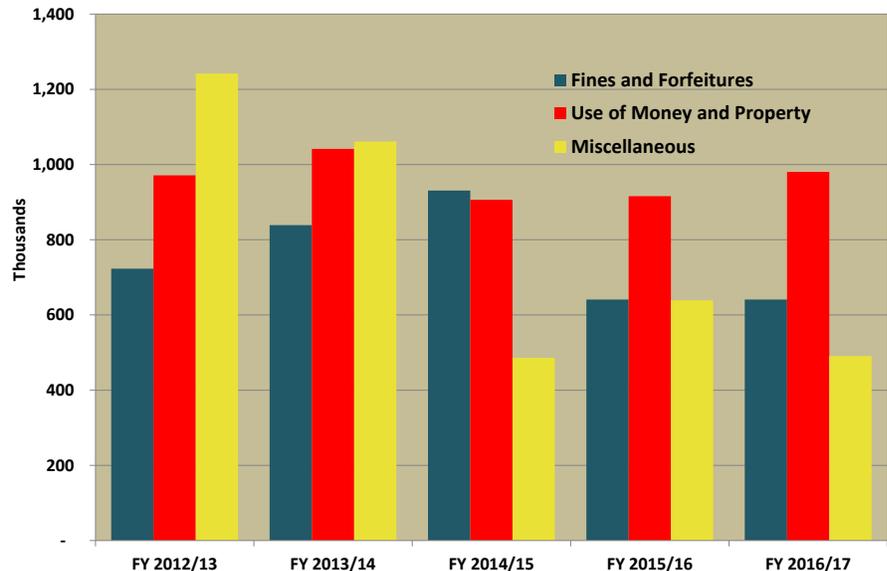
Charges for Services

Service charges or fees are imposed on the user of certain services provided by the City, under the rationale that benefiting parties should pay for all or part of the cost of that service, rather than the general public. Examples include planning-related services such as design review, environmental impact review, plan check fees and variance applications; engineering services such as grading plan check, street plan check and soils reporting; building services related to construction plan check; recreation class fees; and recreation and tennis center fees.

Total Charges for Services revenue for FY 2015/16 is projected to be \$2.0 million an 8.4% decrease over the FY 2014/15 amended budget. It is anticipated that monthly tennis fees and tennis lesson revenue will decline due to a lower availability of tennis instructors. Revenue for FY 2016/17 is expected to be flat, with a 0.4% increase over FY 2015/16.

Fines & Forfeitures

Fines and penalties are imposed for vehicle and parking violations occurring within the City limits as well as for infractions of local ordinances. Also included in this category is the forfeiture of deposits collected by the city for encroachment, building and other activity. Revenue for vehicle and parking violations is projected for FY 2015/16 and 2016/17 with no growth from FY 2014/15. For City forfeited deposit, these revenues have been increasing over the past three years; however, for projection purposes, a more conservative approach is used and the FY 2015/16 and FY 2016/17 projections reflect a decline of \$290,000 from FY 2014/15.



Use of Money & Property

Interest earnings and rents and concessions comprise this category of revenue, with anticipated revenue budgeted at \$916,000 for FY 2015/16, a 1.0% increase from the FY 2014/15 budget. An increase of 7.1% is projected in FY 2016/17 with an estimate of \$980,000. The minimal increase in the first year reflects the current and continued low interest rate environment. The rent and concession portion of this revenue category is projected to grow by only 1.2% in FY 2015/16 due to the anticipated loss of three cell tower rental sites. It is anticipated that interest rates will begin to rise in 2016, causing interest earnings to increase slightly for FY 2016/17.

Miscellaneous Revenue

This revenue source includes reimbursements for special events, certain Successor Agency administrative expenses, Nadadores Swim Team share of facility expenses and donations. The proposed budget is \$639,000 in FY 2015/16 and \$521,000 in FY 2016/17.



CITY OF MISSION VIEJO
Explanation of Revenue Sources, 2015-17

COMPUTERS, EQUIPMENT, FURNISHINGS, VEHICLES (CEFV) REPLACEMENT FUND

This fund is used to record expenditures related to replacing various computer, equipment, furnishings and vehicle assets. This fund is considered part of the General Fund group of funds and is included when calculating the City's total discretionary reserves.

Contribution levels into the CEFV Fund are at the discretion of the City Council; made from the General Fund; and are recorded as interfund transfers. There is no contribution proposed by staff to the CEFV fund in FY 2015/16 or FY 2016/17. The fund balance projected for this fund on July 1, 2015 is \$2.8 million.

FACILITY REHABILITATION AND REPLACEMENT FUND

This fund is used to record expenditures related to the rehabilitation and replacement of existing City facilities as well as major playground and park equipment. It is also considered part of the General Fund group of funds and its fund balance is included when calculating the City's total discretionary reserve level.

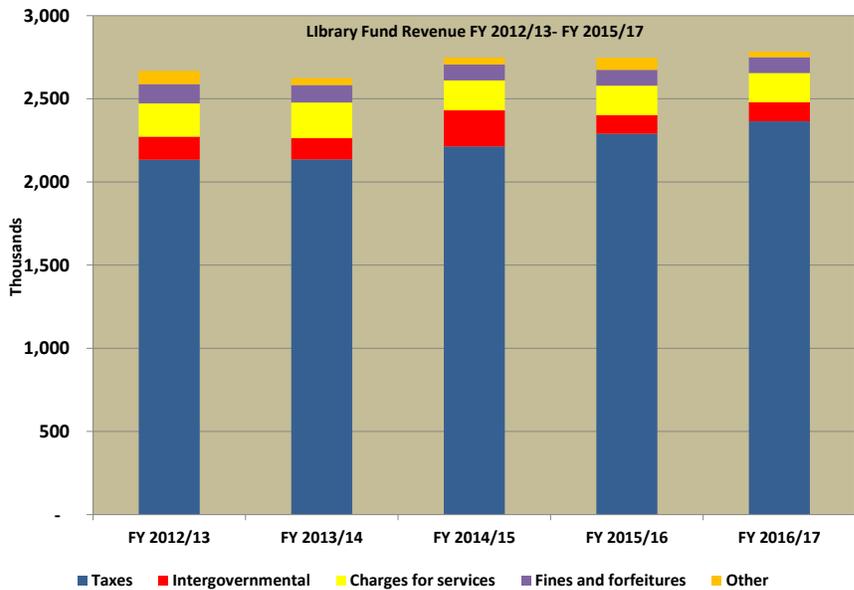
Contribution levels into this fund are also at the discretion of the City Council; made from the General Fund; and are recorded as interfund transfers. There are also no contributions proposed by staff to this fund in FY 2015/16 and FY 2016/17. The fund balance projected for this fund on July 1, 2015 is \$13.3 million.

SPECIAL REVENUE FUND GROUP

LIBRARY FUND

The Library Fund is used to account for the receipt and expenditure of funds restricted for library purposes. Total Library Fund revenue for FY 2015/16 is projected to be \$2.75 million; for FY 2016/17 it is projected to increase slightly to \$2.78 million. The majority of revenue used for Library operations comes from property tax: \$2.29 million (83%) in FY 2015/16 and \$2.36 million in FY 2016/17 (85%).

The revenue projections for FY 2015/16 include (in addition to property tax): \$22,000 in Intergovernmental funding; \$177,000 in Library fees; \$95,000 in Library fines; \$90,000 from the Redevelopment Property Tax Trust Fund pursuant to a tax sharing agreement with the former redevelopment agency; \$40,000 in developer fees; and additional revenue from a variety of other sources.



SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND (SLESF)

The Citizens' Option for Public Safety (COPS) program was established in FY 1996/97. This is a State program requiring annual appropriation by the State Legislature for continued funding. The COPS program provides supplemental funding to local jurisdictions for front-line municipal police services. The allocation for each of the next two fiscal years is expected to be \$150,000 annually, same as current fiscal year.



CITY OF MISSION VIEJO
Explanation of Revenue Sources, 2015-17

GAS TAX FUNDS

The State of California assesses a tax on gasoline purchases as authorized by Sections 2103, 2105, 2106 and 2107 of the California Streets and Highways Code. A portion of this tax is allocated to the City of Mission Viejo based on a statutory funding formula. These funds are earmarked for maintenance, rehabilitation or improvement of public streets. The estimate for this revenue source is \$2.1 million for fiscal years 2015/16 and 2016/17.

The City also receives a flat amount of \$10,000 annually as Section 2107.5 Gas Tax revenue, based on population. The Section 2107.5 amount is restricted for engineering costs related to street improvements and is accounted for in a separate fund.

AIR QUALITY IMPROVEMENT TRUST FUND

Assembly Bill 2766 signed into law in 1990 authorized a fee on motor vehicle registrations to fund programs to reduce air pollution from cars, trucks, and buses. The South Coast Air Quality Management District (SCAQMD) administers the program, which distributes money based on population as well as for specific requests. There is a slight increase anticipated in this funding from the prior year with the City's per capita share expected to be \$118,400 for both FY 2015/16 and FY 2016/17.

SENIOR CENTER OPERATIONS FUND

This fund will be closed at the end of the 2014/15 fiscal year and revenues as well as appropriations will be reflected in the General Fund for FY 2015/16 and FY 2016/17. The exception is the senior mobility grant and related expenditures will be reported in a separate Senior Mobility Grant special revenue fund (see below).

SENIOR MOBILITY GRANT FUND

This fund will be established beginning with FY 2015/16 to account for a grant received from the Orange County Transportation Authority (OCTA) to provide transportation assistance to seniors. Revenue for FY 2015/16 and FY 2016/17 is \$114,000. This is an increase of \$14,000 from FY 2014/15.

PARK DEVELOPMENT FEE FUND

Park Development Fees are governed under Chapter 9.85 of the City's municipal Code ("Local Park Code"). These fees are generated by new development in the City. It is anticipated that fees will be collected from the Skyridge project off El Toro Road in the amount of \$1,000,000 in FY 2015/16. There are no Park Development Fees expected during FY 2016/17.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND

The City is an entitlement city and applies directly to the U.S. Department of Housing and Urban Development (HUD) for its CDBG funding. The primary objective of the CDBG program is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. The City's CDBG funding allocation is projected to be \$404,000 in each fiscal year of the 2015-17 adopted budget, a decline of 3.3% from the prior year. There is an additional revenue amount in the FY 2015/16 budget in the amount of \$150,000 from prior year unspent grant funds still available to the City. The City's allocation is based on a complex formula using ratios of population, poverty, age of housing stock, housing overcrowding and amount of growth. Budget reduction efforts by the Federal government have resulted in lower CDBG award amounts in recent years.

TRANSPORTATION FUNDS

The City relies on a variety of outside funding for street-related capital projects. In addition to the state gas tax, OCTA, Federal, State, and developer funding is available for the construction and improvement of major streets. For FY 2015/16, a total of \$2.4 million is expected from these revenue sources, and for FY 2016/17, \$4.0 million is projected. This revenue will be utilized to fund a variety of street projects over the two-year budget period.

Approximately 64% of these funding sources is revenue from Measure M2 sales tax. The original Measure M was a one-half of one percent sales tax approved by Orange County voters in 1990. This sales tax was renewed in 2006 (at the one-half of one percent rate) and revenues from it are now designated as "Measure M2" and are recorded in a separate fund. The City receives an annual apportionment from OCTA of Measure M2 money and anticipates receiving \$1.6 million and \$1.7 million in Measure M2 local apportionment/sales tax funds during FY 2015/16 and FY 2016/17, respectively. The City also competes with other Orange County cities for additional



CITY OF MISSION VIEJO
Explanation of Revenue Sources, 2015-17

funds for specific projects (i.e., competitive grants). There is \$200,000 in competitive grant funding as part of the FY 2015/16 budget and \$700,000 included in the FY 2016/17 budget.

The balance of transportation funding, in the amount of \$600,000 is expected to be received in FY 2015/16 from South County Roadway Improvement Program (SCRIP) developer fees and \$40,000 from the Orange County Municipal Water District (OCMWD). In FY 2016/17, funding is expected from SCRIP in the amount of \$1.6 million and another \$40,000 is expected from OCMWD. SCRIP funds will be used for the Felipe/Oso Intersection Improvement project and improvements to the Oso/I-5 Northbound On-Ramps project. The OCMWD funds will be used for Marguerite Parkway Median Island Rehabilitation projects.

DEBT SERVICE FUND GROUP

MISSION VIEJO MALL PARKING LEASE FUND

As discussed earlier in the Sales Tax section, in 1997 the City and the former Community Redevelopment Agency formed the Mission Viejo Community Development Financing Authority (CDFA). This is a joint exercise of powers authority, for the purpose of issuing bonds to fund certain public improvements at the “Shops at Mission Viejo.” Debt service on the bonds is partially paid from available mall sales tax revenue which is defined as an amount limited to fifty percent of annual sales tax revenue generated by the renovated mall, subject to the City receiving a guaranteed amount that grows each year.

This fund accounts for receipt of the portion of the mall sales tax available to pay debt service on the mall bonds, and the disbursement thereof to the Authority’s bond trustee. In FY 2015/16, \$1.57 million is expected from this source, an increase of 11.9% from the prior year budget. For FY 2016/17, \$1.68 million is expected, an increase of 6.7%. The increase is due to the general improvement in retail sales activity. Due to the allocation formula related to this financing, the City’s share of sales tax revenue is guaranteed and grows steadily while the bond share is subject to greater fluctuations.

ENTERPRISE FUND GROUP

MISSION VIEJO TELEVISION (MVTV) FUND

Revenue estimates for this fund consist primarily of the one-half of one percent portion of the five percent Cable TV franchise fee that is used to provide governmental access to cable television programming, and which is recorded in this separate fund. The remaining 4.5% of the franchise fee is recorded in the General Fund (see the Franchise Taxes discussion on a previous page); however, for both fiscal years, an additional amount of approximately \$120,000 of franchise fees will be allocated to this fund. The franchise fee portion recorded in this fund, along with miscellaneous fees and interest revenue, provide resources for the programming and operations of MVTV, Channel 30. For FY 2015/16 this amount is \$276,000 and is \$278,000 in FY 2016/17.

MISSION VIEJO TV CAPITAL FUND

The Mission Viejo TV Capital Fund accounts for a new source of revenue that began in FY 2011/12. State law requires that after the expiration of an existing franchise agreement, all video service providers will provide monetary support for Public, Education, and Government (PEG) TV channel equipment. This monetary support comes from an additional franchise fee of 1% of total gross receipts assessed on a community’s cable providers. Mission Viejo has franchise agreements with two cable television providers: Cox Cable and AT&T. The additional revenue received from this assessment is restricted to capital equipment purchases. For both fiscal years in the 2015-17 budget, MVTV capital fund projected revenue is \$314,500, an increase of \$34,000 from the FY 2014/15 amended budget.

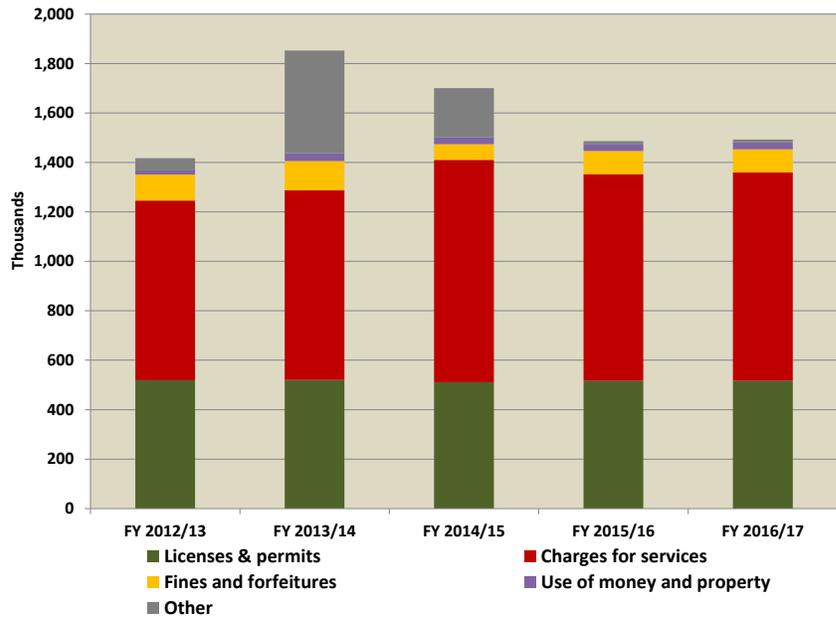
ANIMAL SERVICES FUND

This fund is used to account for the City’s animal services operations. The City provides animal licensing, field patrol and shelter services to the Cities of Laguna Niguel and Aliso Viejo under contract to those cities and shares the total costs of the program on the basis of population, net of total program revenues.



CITY OF MISSION VIEJO Explanation of Revenue Sources, 2015-17

Revenue for FY 2015/16 is estimated to be \$1.5 million, a 13.2% decrease from FY 2014/15. This decrease is due to a one-time capital contribution in the amount of \$200,000 from the City of Aliso Viejo for the expansion of the cattery facility that was received during the last two fiscal years and a significant one-time donation received in FY 2014/15 in the amount of \$90,000. Projected revenue includes: \$507,000 in licensing and permit revenue – a 0.01% decrease; \$134,000 in shelter fees – a 4.9% decrease; \$702,000 in charges for services (Laguna Niguel and Aliso Viejo’s share of net operating costs and capital expenses) – a 7.6% decrease; \$94,000 in fines, \$10,000 in investment earnings, \$18,600 in lease revenue from the neighboring veterinary clinic, and \$11,200 in donations and other revenue. Total Animal Services fund revenue for FY 2016/17 is projected to remain static at \$1.5 million.





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**CITY OF MISSION VIEJO
2015-17 Operating Budget Summary**

Introduction

The General Fund finances the majority of the City’s operations: police patrols, park maintenance, slope maintenance, street maintenance, etc. For example, during the 2015-17 budget cycle, 87% of the City’s total operating budget is funded by the General Fund. The balance of the operating budget is funded through a variety of other resources. A summary of the most significant of these resources, along with a description of uses is described below.

Funding Source	Fund	Description of Uses
Dedicated property taxes	Library	All operating costs for the library
COPS Grant	Supplemental Law Enforcement Services	<ul style="list-style-type: none"> • Partial funding of one motorcycle deputy
Gas taxes	Gas Tax	<ul style="list-style-type: none"> • OCTA Street Survey consulting services • Metrolink station maintenance costs • A variety of traffic signal and traffic flow consulting services, including timing/coordination issues, fiber-optic communication issues, signal and battery back-up maintenance and repairs • Traffic signal electricity • Traffic signal related equipment
Air quality fees	AQMD	AQMD implementation/monitoring consulting services
Senior Mobility Grant	Senior Mobility Grant	<ul style="list-style-type: none"> • Dial-a-taxi senior mobility program • Senior nutrition (meals-on-wheels) program
Community Development Block Grant	CDBG	Housing rehabilitation loans and related program administrations consulting services
Dedicated sales taxes	Mall Parking Lease	Partial funding for Mall related debt service
Cable franchise fees	MVTV	All operating cost for the MVTV station
Cable franchise PEG fees	MVTV Capital	All capital equipment purchases for the MVTV station
Intergovernmental service charges (from Laguna Niguel/Aliso Viejo)	Animal Services	All operating costs for Animal Services

The City of Mission Viejo operating budget is based on a “program budget” concept. The City’s twelve departments are divided among the seven program areas of: General Government – Legislative, General Government – Management and Support, Public Safety, Community Development, Engineering and Transportation, Infrastructure Maintenance, and Recreation, Community and Library Services.

Budget Expenditure Categories

Each program area then contains various programs that further organize the budget into smaller, more manageable pieces. The program budgets are further broken down into specific expenditure categories and include: salaries & wages, benefits, professional/technical contractual services, maintenance/repair contractual services, supplies, insurance, rents, utilities, dues/memberships/subscriptions, travel/training/meetings, other services/fees, housing rehabilitation loan program, contributions to agencies/organizations, depreciation, debt service and capital outlay. These categories represent the building blocks of the City’s budget and serve as the foundation for internal budgetary controls.

Salaries and wages include all costs associated with full-time, part-time and temporary employee salaries and overtime. Benefits include all benefits costs, including health and retirement, which comprise the largest components of benefits. Housing rehabilitation loans are reported only in the Community



**CITY OF MISSION VIEJO
2015-17 Operating Budget Summary**

Development Block Grant Fund. Contributions to agencies/organizations are reported in multiple programs and information about who is the recipient beneficiary of these contributions is reported in each program where applicable. Depreciation is only reported in the MVTV and Animal Services Funds. Debt service includes the annual payment of bonds used to construct the library and city hall facilities and is reported in the Debt Service program under the General Government – Management and Support program area. Capital outlay provides for the purchase of vehicles, computers, equipment and minor improvements to facilities. All other expenditure categories (i.e. professional/technical contractual services, maintenance/repair contractual services, supplies, insurance, rents, utilities, dues/memberships/subscriptions, travel/training/meetings, other services/fees) are reported in each program as applicable. Additional information is provided on each program page relating to these types of categories.

Summary of Expenditure Categories

Since the City of Mission Viejo is a “contract city,” the majority of appropriations in any given fiscal year are for contractual services (e.g., public safety, landscape and street maintenance, and building and planning support). The 2015-17 proposed budget provides approximately 56.9% of total appropriations for contractual services. These expenditure categories include professional/technical contractual services, maintenance/repair contractual services and other services/fees.

Professional/Technical Contractual Services

As compared to the FY 14/15 amended budget, contractual services will decline 5.2% in FY 15/16 and decrease again by 6.6% in FY 16/17. Included in the FY 14/15 amended budget is approximately \$0.5 million in appropriations that were carried over from FY 13/14 and not considered to be part of the base operating budget. Over \$400,000 of these carried over funds were for open purchase orders at June 30, 2014, with the largest purchase order balance of \$200,000 in the Information Technology program dedicated to project management, conversion and data integration services related to the accounting software implementation. If these appropriations are excluded from the FY 14/15 amended budget to allow for a better comparison between base budgets, there is an increase in FY 15/16 of \$0.3 million or 8.8%. There are professional services contracts that are included in the 15/16 budget that were not included in the 14/15 budget and will not be included in the 16/17 budget, which accounts for the increase in the 15/16 budget as well as the decrease in this budget category in 16/17 of 6.6%. These professional services include:

Program	Description	Budgeted Amount in FY 15/16 only
Treasury	Bi-Annual Treasurer’s Report	\$9,350
Treasury	Cost Allocation Plan & Fee Study	\$35,000
Human Resources	OPEB Valuation for June 30, 2015	\$19,000
Advanced Planning	General Plan Public Safety Element Update	\$20,000
Public Works Administration	Pavement Management Program Report	\$15,000
Engineering	OCTA Street Survey	\$70,000
Library Support Services	Development of Historical Film Series	\$40,000
Library Support Services	Digitization of Microfilm Documents	\$9,000
	Total	\$217,350

The balance of the increase from FY 14/15 to FY 15/16 is in the Inspection Services contract in the Building program of \$97,000 and an increase to the Legal Services program budget in the amount of \$49,000.



CITY OF MISSION VIEJO 2015-17 Operating Budget Summary

With the exception of those FY 15/16 only contracts noted above, the proposed budget for FY16/17 assumes that most other contractual services in this category will remain static in the second year.

Maintenance/Repair Contractual Services

This category is projected to increase 9.7% in FY 15/16 and decrease 0.4% in FY 16/17. This category also includes appropriations carried over from FY 13/14 as part of the amended budget in the amount of \$0.3 million and another \$0.1 million appropriated during the 14/15 fiscal year that are not considered to be part of the base operating budget. The carried over and additional appropriations are recorded in the Information Technology, Traffic Signal Maintenance, Parks Maintenance, Medians and Parkway Maintenance, and Facilities Maintenance programs and are available as additional resources for the implementation of IT projects, resources for signal maintenance, park plant replacements, slope maintenance and rehabilitation and various facility related building and equipment repairs. If these appropriations are excluded from the FY 14/15 amended budget to allow for a better comparison between base budgets, the increase in FY 15/16 would be \$1.2 million or 13.7%. There are ten landscape maintenance contracts reported in this budget category for a total cost of \$4.7 million; seven of which were publically bid for the 2015-17 budget period. On average, these seven contracts averaged a 19% increase in cost due to increases in labor rates as a result of State Senate Bill 854, which allows the Department of Industrial Relations to require all contractors performing work for public agencies to participate in the prevailing wage requirements. Other maintenance type contracts that were publically bid, such as hardscape repairs and maintenance and irrigation related contracts also resulted in increases.

Contractual services in this category are projected to remain static in the second year.

Other Services/Fees

This category is projected to increase 2.5% in FY 15/16 and 2.5% in FY 16/17. These increases are primarily attributed to the increase in the contract with the Orange County Sheriff's Department (OCSD) for police services, which represents \$17.1 million of the \$21.1 million budget in this category or 81% of the budget. The FY 14/15 OCSD contract budget is \$16.5 million, so the OCSD budget is increasing \$0.6 million in FY 15/16, or 3.63%. This contract is projected to increase another 3% for FY 16/17.

The "contract city" model of expenditures can be further seen in the percentage of total appropriations attributable to personnel services. For the 2015-17 budget, personnel services, which include the salaries and wages and benefits expenditure categories represent approximately 27% of total operating budget. The percentage is a decline of 2% from the previous two year budget.

Salaries and Wages

Salaries and wages are projected to increase 0.7% in FY 15/16 and 3.0% in FY 16/17. For both fiscal years, the proposed budget includes merit increases for employees equal to approximately 3% of current base salaries in each fiscal year or approximately \$300,000 in each year, which accounts for the 3% increase from FY 15/16 to 16/17. Factors that are limiting the increase from FY 14/15 to 15/16 to 0.7% include: a decrease in total hourly, seasonal and temporary (HST) employees across several programs in the amount of \$19,000; approximately \$125,000 in savings from staff turnover; savings from known vacancies of \$37,000; and the elimination of one full time employee in the NPM facility maintenance program and a part time employee in the Public Works department for a total savings of \$81,000. The elimination of positions was included in the 2013-15 budget plan and reduces authorized full-time equivalent staff to 137.275 as of July 1, 2015.

Benefits

Benefits are projected to decrease 31.3% in FY 15/16 and decrease again in FY 16/17 by 3.9%. The FY



CITY OF MISSION VIEJO 2015-17 Operating Budget Summary

14/15 budget includes \$2.1 million for a lump sum payment to the Retiree Insurance Program to reduce the retiree health insurance unfunded liability. By excluding this amount from the FY 14/15 amended budget, the decrease from FY 14/15 to 15/16 would be \$217,000 or 4.0%. This decrease is due to the final shift of employee pension contributions of 1.25% of salary back to employees. With this shift, employees are now contributing 100% of their employee share pension contributions to their pension plan. This results in a savings of approximately \$130,000. There is also savings from the elimination of positions of \$73,000.

The remaining expenditure categories comprise the other 16% of the operating budget in FY 15/16 and 15% in FY 16/17. Of these categories, the most significant changes in FY 15/16 are reflected in the Insurance, Economic Development, Rehab Loan Program and Capital Outlay categories. For FY 16/17 significant changes are reflected in the Insurance and Capital Outlay categories.

Insurance

This category is projected to decrease 21.0% in FY 15/16. While generally over the years, the City has been experiencing declines in general liability insurance deposits to the California Joint Powers Insurance Authority (CJPIA) due to decreasing claim experience, the deposit for FY 15/16 will actually be \$83,000 higher than FY 14/15. The City's retrospective adjustment for FY 14/15 based on claim experience was \$423,000, which offset our annual contribution of \$563,000 for a net payment of \$140,000. The amended FY 14/15 budget includes \$378,000 for this obligation; therefore the current amended budget reflects resources that will not be needed for this obligation. For FY 15/16, the annual contribution of \$468,000 is being offset with a retrospective adjustment of \$245,000 for a net obligation of \$223,000. The projection for this obligation has been increased by \$30,000 in FY 16/17, but is subject to change when contribution information is released by the CJPIA in April 2016.

There is an additional increase in this category in FY 16/17 to add earthquake insurance to the Marguerite Aquatics Complex in anticipation of providing comprehensive coverage on a newly renovated facility. Earthquake coverage is currently provided on the City Hall, Library, NPM, Marguerite Tennis Center and Montanoso Recreation Center facilities.

Economic Development

This category was created to address the high priority Council assigned to the need for economic development throughout the city. An appropriation of \$160,000 is established in FY 15/16 and FY 16/17 to hire external consultants and provide funding for other economic development needs. The appropriation for each year was made available by reducing budget requests in several other departments.

Housing Rehabilitation Loan Program

This category is projected to decrease 59.1% in FY 15/16 from the FY 14/15 amended budget. The proposed budget for this program is based on the estimated funding available for the fiscal year from the Community Development Block Grant (CDBG) annual award amount from the Department of Housing and Urban Development. Every year, as part of the mid-year budget review, the funding for this program is amended to include additional funds that are available from repayment of housing rehabilitation loans. The FY 14/15 amended budget includes these additional resources. It is anticipated that during the FY 15/16 mid-year review, an amendment will be made to this program.

Capital Outlay

Capital outlay appropriations vary annually depending on the degree of facility and equipment replacement needs, coupled with the amount of funding available. Each year there is the need to replace a certain amount of fleet vehicles, park fixtures and amenities, and office and computer equipment. Items identified for replacement include:



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2015-17 Operating Budget Summary**

Program	Fund Source	Description	Budgeted Amount in FY 15/16	Budgeted Amount in FY 16/17
Interdepartmental	General	Mailing equipment	\$30,000	\$0
MVTV-Capital	MVTV Capital	MVTV Studio equipment	\$450,000	\$125,000
MVTV-Capital	MVTV Capital	Chamber screen/projector upgrade	\$90,000	\$0
MVTV-Capital	MVTV Capital	Chamber voting system upgrade	\$110,000	\$0
IT	General	Building entry system	\$100,000	\$0
IT	General	Network equipment	\$50,000	\$25,000
IT	CEV	Network equipment	\$496,000	\$0
Police Admin	General	800 MHz equipment	\$0	\$70,000
Signal Maint.	Gas Tax	Battery backup systems	\$50,000	\$50,000
Montonoso	General	3 fitness bikes	\$16,000	\$0
Sierra	General	1 fitness bike	\$3,200	\$0
Total			\$1,395,200	\$270,000

In addition, new equipment purchases include:

Program	Fund Source	Description	Budgeted Amount in FY 15/16	Budgeted Amount in FY 16/17
IT	General	Park surveillance equipment	\$20,000	\$20,000
Animal Services	Animal Services	Critical Care transport vehicle	\$35,000	\$0
Current Planning	General	Bus Shelters	\$17,000	\$17,000
Total			\$72,000	\$37,000

The overall decrease in FY 15/16 is 32.1% from the FY 14/15 amended budget, which includes a \$0.9 million appropriation for the purchase and implementation of a new accounting software system.

Summary of Program Area Expenditures

The operating budget in FY 15/16 for all funds is decreasing 3.2% from the FY 14/15 amended budget and decreasing another 1.1% in FY 16/17. For FY 15/16, four of the seven program areas are declining with the largest decline projected at \$3.0 million in the General Government-Management and Support program area. The program area with the largest increase in FY 15/16 is Infrastructure Maintenance for \$0.7 million. For FY 16/17, the program area with the largest decrease is again General Government-Management and Support for \$0.9 million. The program area with the largest increase is Public Safety of \$0.5 million. An analysis on changes reflected in each program area are described below.

General Government-Legislative

This program area is comprised of nine programs within three departments: City Council, City Clerk and City Attorney. The entire program area is increasing 25.2% in FY 15/16 and decreasing 20.4% in FY 16/17. The City Council department budget is declining in FY 15/16 by 2.9%, while the City Clerk and City Attorney department budgets are increasing in FY 15/16 by 36.6% and 14.6% respectively.

In the City Clerk Department, the increase in FY 15/16 is primarily attributed to \$650,000 in Capital Outlay requests in the Cable Television program for upgrades to the Mission Viejo Television (MVTV) studio, replacement of the Council Chambers large viewing screen and projector and upgrade to the Council



CITY OF MISSION VIEJO 2015-17 Operating Budget Summary

Chambers voting system, including program and equipment. The funding for all capital outlay expenditures in the MVTV Capital fund is Public/Education/Government (PEG) fees collected by cable operators and remitted to the City. An item of note is in the Elections programs in the City Clerk department. Elections program costs decline in non-election years (odd number years). In FY 14/15, the City budgeted \$55,000 for election costs for the November 2014 election. The Election budget will increase again by \$55,000 in FY 16/17 for costs associated with the November 2016 election.

The City Attorney program is increasing by \$49,000 based on current trends for legal services.

General Government-Management and Support

This program area is divided into twelve programs within four departments: City Manager, Administrative Services, Information Technology (IT), and the Integrated Waste Management program under Public Works. The entire program area is decreasing 24.8% in FY 15/16 and decreasing 9.5% in FY 16/17. The City Manager Department projects minimal changes over the next two years; however, the other three departments reflect declines in FY 15/16 of 29.6%, 18.8% and 21.1% respectively. Further declines are reflected in FY 16/17 in the Administrative Services and IT Departments of 4.3% and 19.9% respectively.

In FY 15/16, the largest decrease reflected under the Administrative Services Department is in the Interdepartmental program. The City Council amended the FY 14/15 benefits budget to allow for a \$2.1 million payment to the Retiree Insurances Program (RIP) to pay down the retiree healthcare benefit unfunded liability in March 2015. It is anticipated that this one-time payment, along with the FY 15/16 Annual Required Contribution (ARC) for this benefit, will eliminate the RIP unfunded liability by June 30, 2016. Because it is anticipated that the RIP unfunded liability will be eliminated, the ARC needed for FY 16/17 will decline from \$749,000 to \$235,000.

This program also reflects the decline in the annual general liability insurance deposit for FY 15/16 and the increase in earthquake insurance for FY 16/17 as previously discussed in this summary.

The Treasury program under Administrative Services is increasing 6.7% in FY 15/16. This program budget includes funding for a Cost Allocation Plan and Fee Study update.

The IT Department reflects a decline of 18.8% in FY 15/16 and 19.9% in FY 16/17. The FY 14/15 amended IT budget includes \$1.5 million in appropriations carried over from FY 13/14 of which \$0.9 relates to the accounting software implementation. The balance of these carried over funds are reported in various contract services, repair and maintenance and computer hardware related accounts for various projects and equipment purchases. If this carryover is excluded from the FY 14/15 amended budget, there would be an increase in the FY 15/16 budget of \$0.7 million. This amount is primarily attributed to the \$600,000 included in the budget for replacement of the City Hall building security system and network equipment replacements.

For the Integrated Waste Management program, the FY 14/15 amended budget includes \$81,000 added to the budget as part of the mid-year budget review to provide additional funding for recycling and environmental programs. Any unspent appropriated balances at year end will be returned to fund balance.

Public Safety

This program area is divided into eleven programs within three departments: Police Services, the Crossing Guard program under Public Works, and Public Services, including the Animal Services, Emergency Preparedness and Street Lighting programs. Public Safety represents the largest program area (by percentage and total dollar) of the City's budget, accounting for approximately 33% of the total



CITY OF MISSION VIEJO 2015-17 Operating Budget Summary

2015-17 operating budget with total appropriations of \$20.7 million in FY 15/16 and \$21.2 million in FY 16/17. The entire program area is increasing 1.5% in FY 15/16 and increasing 2.6% in FY 16/17, with the largest dollar increase projected in the Police Service department in both years of \$0.2 million and \$0.6 million respectively. These increases are a reflection of the budget needed for the Orange County Sheriff's contract for police services in both years.

The Animal Services budget is increasing 6.1% in FY 15/16. The program budget includes an increase of 0.50 FTE for a total increase in salaries and wages and benefits over the prior year of \$59,000. The staffing increases in this program were offset with decreases in FTE's in other programs. This budget also includes the purchase of a critical care transport vehicle of \$35,000 to be paid with donations held in the Animal Services Fund reserves.

Community Development

This program area is divided into eight programs all within the Community Development department. The entire program area is decreasing 2.6% in FY 15/16 and increasing 3.8% in FY 16/17. The programs within this area that primarily contribute to the decrease in FY 15/16 are Code Enforcement and Housing, which is funded with CDBG grant funds. The FY 15/16 proposed budget assumes a vacancy for one position for four months resulting in a decrease in personnel costs for this year only. The Housing Rehabilitation Loan Program expenditure category (previously discussed) is reported in the Housing program contributing to the decline in this program by 52.7%. Beginning in FY 15/16, an increase is projected in the Building program due to the increase in building inspection fees that take effect on July 1, 2015. The Economic Development program is increasing 72.1% in FY 15/16 and an additional 1.2% in FY 16/17 due to the additional \$160,000 appropriation previously discussed.

Engineering and Transportation

This program area is divided into eight programs all within the Public Works department. The entire program area is decreasing 6.0% in FY 15/16 and decreasing 1.4% in FY 16/17. The programs contributing to the decline in FY 15/16 are Inspections and Signal Maintenance. For Inspections, the FY 14/15 amended budget includes \$99,000 for the purchase of two inspection vehicles. For Signal Maintenance, the FY 14/15 amended budget includes \$99,000 for battery back-up equipment. The proposed budget reduces battery back-up equipment needs to \$50,000 in each year of the two year budget. The Signal Maintenance program also reflects an increase to electricity utilities; however, it is projected that these increases will be offset with a reduction in technical and maintenance contractual services. The decline in FY 16/17 is reflected in the Engineering program. Every six years, the Orange County Transportation Authority (OCTA) requires and comprehensive survey of all City residential streets to comply with OCTA's Comprehensive Transportation Funding Program. An amount of \$70,000 has been included in the FY 15/16 budget projection to prepare this study.

Infrastructure Maintenance

This program area is divided into eleven programs all within the Public Services department. The Public Services program area is the second largest program area and accounts for 26% of the City's total operating budget with total appropriations of \$15.9 million in each fiscal year. The entire program is increasing 4.0% in FY 15/16 and increasing 0.3% in FY 16/17. The programs reflecting the largest increases are Medians and Parkways Maintenance and Parks Maintenance. There are ten landscape maintenance contracts reported in these two programs representing approximately 50% of these maintenance budgets or \$4.7 million. As previously discussed, seven of these contracts were publically bid for the 2015-17 budget period. On average, these seven contracts increased 19% due to increases in labor rates as a result of State Senate Bill 854, which allows the Department of Industrial Relations to require all contractors performing work for public agencies to participate in the prevailing wage requirements.



CITY OF MISSION VIEJO
2015-17 Operating Budget Summary

Recreation/Community/Library Services

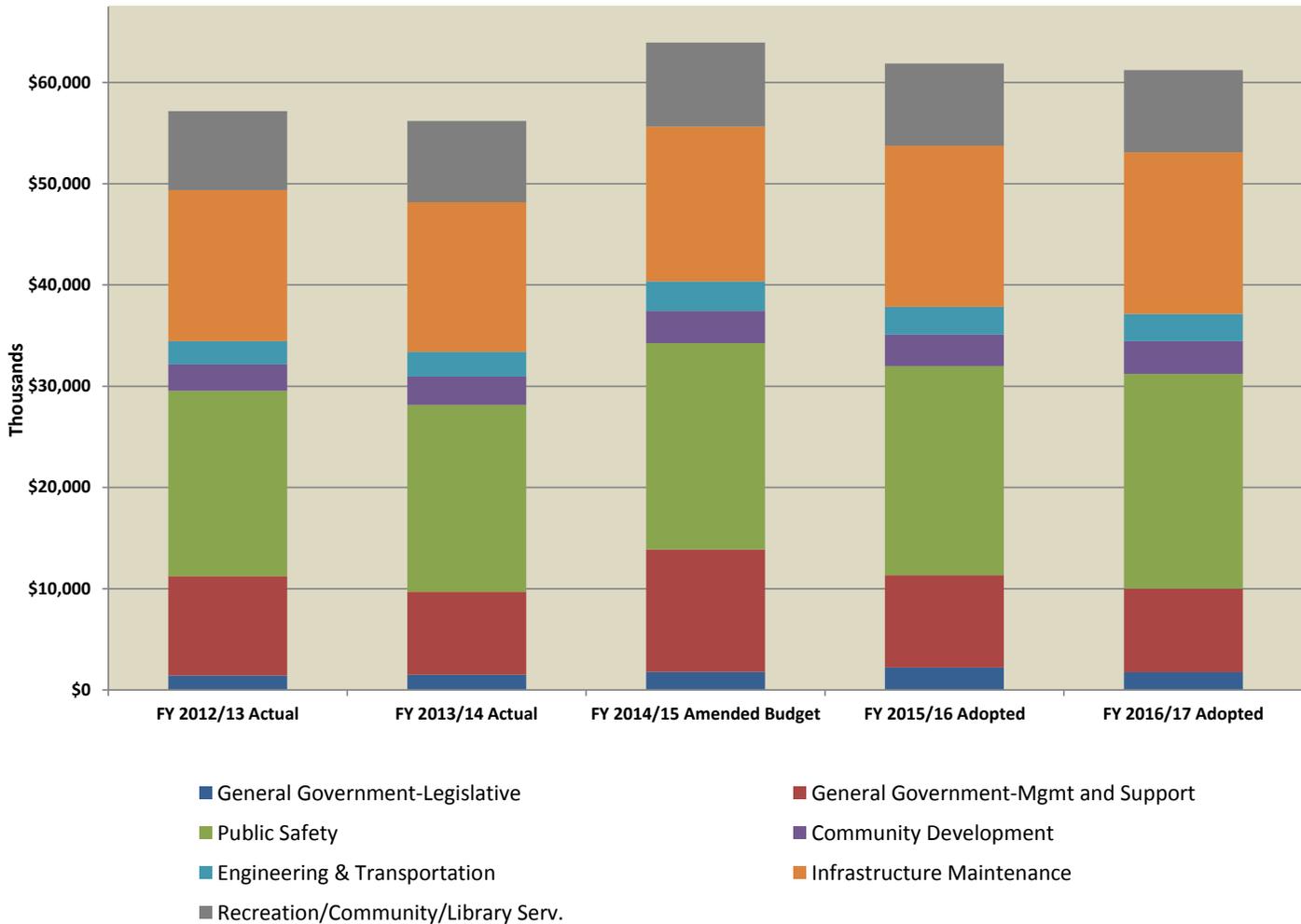
Recreation, Community and Library Services comprises 13% of the 2015-17 adopted budget. This program area is divided into thirteen programs within the Library and Cultural Services Department and the Recreation and Community Services Department and provides funding for many special events and community programs such as Arts Alive, Pacific Symphony, 4th of July Street Faire, ITF Wheelchair Tennis Tournament and Kid's Factory.

The Library Department budget is decreasing 2.7% in FY 15/16 and 1.7% in FY 16/17. The total decrease for all library departments is \$91,000, of which \$60,000 is projected in salaries & wages and benefits. This decline is a result of savings due to staff turnover. The decline in FY 16/17 is primarily due to the reduction of the retiree insurances program annual required contribution from \$117,000 to \$37,600. The decline in professional contractual services in FY 16/17 is caused by the one-time appropriation of \$40,000 for the development of a historical film series in FY 15/16.

The Recreation Department is decreasing 1.4% in FY 15/16 and increasing 1.0% in FY 16/17. The largest decline in FY 15/16 is for personnel in the amount of \$64,000. This decline is due to cost savings from employee turnover and a planned position vacancy in the department during FY 15/16 only. The Human Resources program includes funding to perform a staffing review of the Recreation Department. Filling the current vacancy and any other staffing changes will be considered upon the completion of the review. Capital Outlay is also declining in each of the next two years as needs for fitness equipment replacement declines.



2015-2017 Budget
Operating Budget by Program Area, All Funds

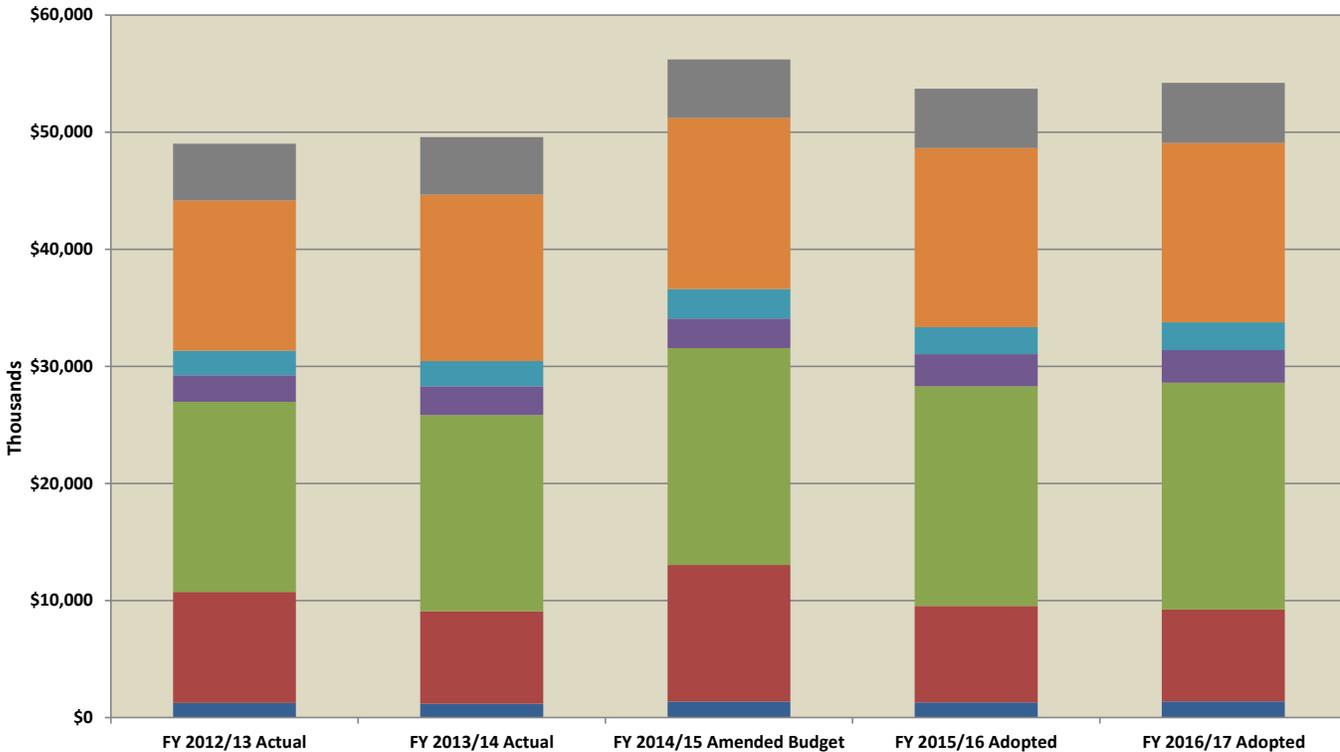


Operating Budget by Program Area, All Funds

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
General Government-Legislative	1,434,108	1,496,762	1,764,585	2,209,744	25.2%	1,758,711	-20.4%
General Government-Mgmt and Support	9,791,693	8,197,085	12,116,610	9,114,856	-24.8%	8,251,744	-9.5%
Public Safety	18,316,861	18,459,766	20,367,841	20,665,251	1.5%	21,202,062	2.6%
Community Development	2,605,296	2,802,291	3,188,610	3,106,266	-2.6%	3,225,355	3.8%
Engineering & Transportation	2,298,432	2,442,976	2,912,642	2,737,411	-6.0%	2,700,404	-1.4%
Infrastructure Maintenance	14,914,882	14,781,277	15,294,490	15,906,230	4.0%	15,958,473	0.3%
Recreation/Community/Library Serv	7,792,320	8,002,471	8,287,989	8,126,449	-1.9%	8,118,656	-0.1%
Total Operating Budget	57,153,592	56,182,628	63,932,767	61,866,208	-3.2%	61,215,404	-1.1%



2015-2017 Budget
Operating Budget by Program Area, General Fund



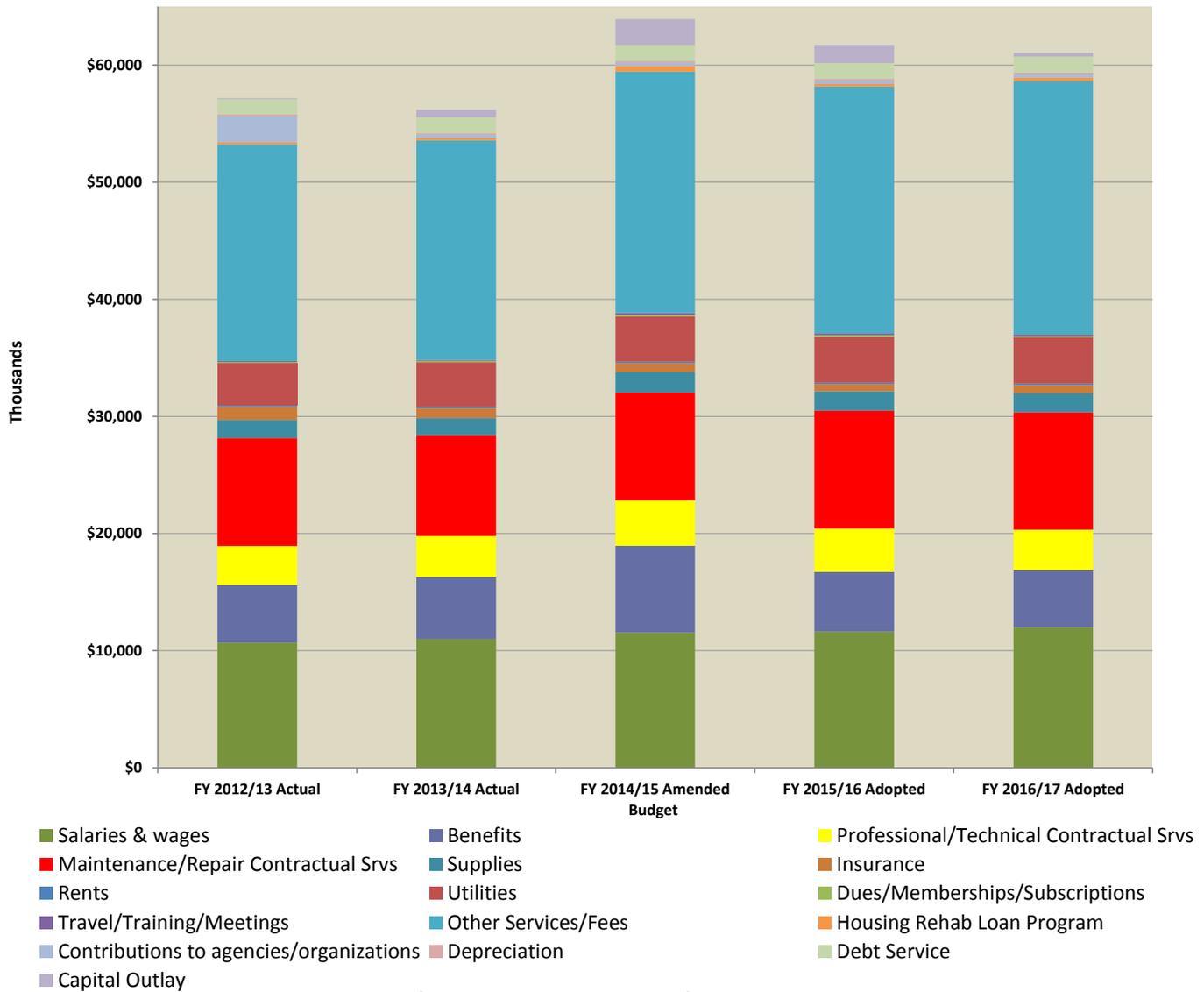
- General Government-Legislative
- General Government-Mgmt and Support
- Public Safety
- Community Development
- Engineering & Transportation
- Infrastructure Maintenance
- Recreation/Community/Library Serv.

Operating Budget by Program Area, General Fund

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
General Government-Legislative	1,242,532	1,175,360	1,358,618	1,298,962	-4.4%	1,370,230	5.5%
General Government-Mgmt and Support	9,477,497	7,893,180	11,673,528	8,243,360	-29.4%	7,868,879	-4.5%
Public Safety	16,257,146	16,773,562	18,532,947	18,762,647	1.2%	19,369,773	3.2%
Community Development	2,254,519	2,443,403	2,519,015	2,732,454	8.5%	2,775,280	1.6%
Engineering & Transportation	2,114,966	2,159,063	2,514,710	2,310,411	-8.1%	2,358,404	2.1%
Infrastructure Maintenance	12,810,979	14,224,350	14,618,073	15,301,360	4.7%	15,347,603	0.3%
Recreation/Community/Library Serv	4,855,168	4,917,128	5,000,920	5,058,114	1.1%	5,113,020	1.1%
Total Operating Budget	49,012,807	49,586,046	56,217,811	53,707,309	-4.5%	54,203,188	0.9%



2015-2017 Budget Operating Budget by Major Category



Operating Budget by Major Category

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Salaries & wages	10,678,812	11,000,416	11,543,932	11,628,103	0.7%	11,976,713	3.0%
Benefits	4,931,723	5,286,050	7,408,925	5,092,080	-31.3%	4,895,087	-3.9%
Professional/Technical Contractual Svcs	3,325,118	3,517,848	3,897,872	3,696,365	-5.2%	3,451,475	-6.6%
Maintenance/Repair Contractual Svcs	9,216,294	8,593,451	9,189,672	10,080,170	9.7%	10,041,546	-0.4%
Supplies	1,572,488	1,464,368	1,759,601	1,660,215	-5.6%	1,644,998	-0.9%
Insurance	1,071,635	829,529	742,828	587,152	-21.0%	656,222	11.8%
Rents	130,831	121,482	118,195	138,560	17.2%	139,060	0.4%
Utilities	3,620,345	3,812,708	3,885,542	3,926,772	1.1%	3,936,772	0.3%
Dues/Memberships/Subscriptions	112,429	112,969	118,000	121,991	3.4%	122,556	0.5%
Travel/Training/Meetings	65,864	83,298	184,115	153,870	-16.4%	149,954	-2.5%
Other Services/Fees	18,488,427	18,740,122	20,582,418	21,092,612	2.5%	21,622,102	2.5%
Economic Development	-	-	-	160,000	100.0%	160,000	0.0%
Housing Rehab Loan Program	176,419	206,422	488,500	200,000	-59.1%	275,000	37.5%
Contributions to agencies/organizations	2,254,039	292,743	309,055	303,620	-1.8%	303,920	0.1%
Depreciation	148,696	121,629	126,500	139,000	9.9%	139,000	0.0%
Debt Service	1,298,542	1,358,886	1,357,000	1,355,000	-0.1%	1,363,000	0.6%
Capital Outlay	61,930	640,707	2,220,612	1,530,700	-31.1%	338,000	-77.9%
Total Operating Budget	57,153,592	56,182,628	63,932,767	61,866,208	-3.2%	61,215,405	-1.1%



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**2015-2017 Budget
Operating Budget by Program Area and Fund
Summary Table**

FY 2015/16 Operating Budget

Fund	<i>Program</i>							Total
	General Government - Legislative	General Government - Management & Support	Public Safety	Community Development	Engineering and Transportation	Infrastructure Maintenance	Recreation, Community and Library Services	
General	1,298,962	8,243,360	18,762,647	2,732,454	2,310,411	15,301,360	5,058,114	53,707,309
Successor Agency Admin Costs	-	79,921	-	-	-	-	-	79,921
CEV Replacement	-	496,000	-	-	-	-	-	496,000
Library	-	95,900	-	-	-	362,810	2,954,335	3,413,045
Suppl Law Enforcement Svcs	-	-	150,000	-	-	-	-	150,000
State Gas Tax	-	-	-	-	412,000	-	-	412,000
Gas Tax 2107.5	-	1,913	-	-	15,000	-	-	16,913
Air Quality Improvement	-	2,070	-	45,000	-	-	-	47,070
Sr. Center Operations	-	-	-	-	-	-	-	-
Community Development Block Grant	-	16,882	-	328,812	-	-	-	345,694
Measure M2	-	-	-	-	-	-	-	-
OCTA Transportation Grant	-	-	-	-	-	-	114,000	114,000
Mission Viejo Cable Television	235,782	3,875	-	-	-	35,715	-	275,372
Mission Viejo TV Capital Fund	675,000	10,000	-	-	-	-	-	685,000
Animal Services	-	164,934	1,752,604	-	-	206,345	-	2,123,883
	2,209,744	9,114,855	20,665,251	3,106,266	2,737,411	15,906,230	8,126,449	61,866,208

FY 2016/17 Operating Budget

Fund	<i>Program</i>							Total
	General Government - Legislative	General Government - Management & Support	Public Safety	Community Development	Engineering and Transportation	Infrastructure Maintenance	Recreation, Community and Library Services	
General	1,370,230	7,868,879	19,369,773	2,775,280	2,358,404	15,347,603	5,113,020	54,203,189
Successor Agency Admin Costs	-	82,859	-	-	-	-	-	82,859
CEV Replacement	-	-	-	-	-	-	-	-
Library	-	95,900	-	-	-	367,810	2,891,635	3,355,345
Suppl Law Enforcement Svcs	-	-	150,000	-	-	-	-	150,000
State Gas Tax	-	-	-	-	342,000	-	-	342,000
Gas Tax 2107.5	-	1,982	-	-	-	-	-	1,982
Air Quality Improvement	-	2,075	-	45,000	-	-	-	47,075
Sr. Center Operations	-	-	-	-	-	-	-	-
Community Development Block Grant	-	17,477	-	405,075	-	-	-	422,552
OCTA Transportation Grant	-	-	-	-	-	-	114,000	114,000
Mission Viejo Cable Television	238,481	3,875	-	-	-	35,715	-	278,071
Mission Viejo TV Capital Fund	150,000	10,000	-	-	-	-	-	160,000
Animal Services	-	168,697	1,682,289	-	-	207,345	-	2,058,331
	1,758,711	8,251,744	21,202,062	3,225,355	2,700,404	15,958,473	8,118,656	61,215,404



**2015-2017 Budget
Operating Budget by Department and Fund
Summary Table**

FY 2015/16 Operating Budget

Fund	Department										Total
	City Council/City Clerk/City Attorney	City Manager	Administrative Services	Community Development	Information Technology	Library and Cultural Services	Police	Public Services	Public Works	Recreation and Community Services	
General	1,298,962	451,585	5,053,962	2,732,454	2,587,008	329,675	17,354,269	16,404,738	2,766,216	4,728,440	53,707,309
Successor Agency Admin Costs	-	12,278	67,643	-	-	-	-	-	-	-	79,921
CEFV Replacement	-	-	-	-	496,000	-	-	-	-	-	496,000
Library	-	-	-	-	95,900	2,954,335	-	362,810	-	-	3,413,045
Suppl Law Enforcement Svcs	-	-	-	-	-	-	150,000	-	-	-	150,000
State Gas Tax	-	-	-	-	-	-	-	-	412,000	-	412,000
Gas Tax 2107.5	-	-	1,913	-	-	-	-	-	15,000	-	16,913
Air Quality Improvement	-	-	2,070	45,000	-	-	-	-	-	-	47,070
Sr. Center Operations	-	-	-	-	-	-	-	-	-	-	-
Community Development Block Grant	-	-	16,882	328,812	-	-	-	-	-	-	345,694
OCTA Transportation Grant	-	-	-	-	-	-	-	-	-	114,000	114,000
Mission Viejo Cable Television	235,782	-	-	-	3,875	-	-	35,715	-	-	275,372
Mission Viejo TV Capital	675,000	-	-	-	10,000	-	-	-	-	-	685,000
Animal Services	-	-	127,734	-	37,200	-	-	1,958,949	-	-	2,123,883
Total	2,209,744	463,863	5,270,204	3,106,266	3,229,983	3,284,010	17,504,269	18,762,212	3,193,216	4,842,440	61,866,208

FY 2016/17 Operating Budget

Fund	Department										Total
	City Council/City Clerk/City Attorney	City Manager	Administrative Services	Community Development	Information Technology	Library and Cultural Services	Police	Public Services	Public Works	Recreation and Community Services	
General	1,370,230	459,163	4,820,504	2,775,280	2,439,850	337,635	17,942,991	16,459,384	2,822,767	4,775,385	54,203,189
Successor Agency Admin Costs	-	12,729	70,130	-	-	-	-	-	-	-	82,859
CEFV Replacement	-	-	-	-	-	-	-	-	-	-	-
Library	-	-	-	-	95,900	2,891,635	-	367,810	-	-	3,355,345
Suppl Law Enforcement Svcs	-	-	-	-	-	-	150,000	-	-	-	150,000
State Gas Tax	-	-	-	-	-	-	-	-	342,000	-	342,000
Gas Tax 2107.5	-	-	1,982	-	-	-	-	-	-	-	1,982
Air Quality Improvement	-	-	2,075	45,000	-	-	-	-	-	-	47,075
Sr. Center Operations	-	-	-	-	-	-	-	-	-	-	-
Community Development Block Grant	-	-	17,477	405,075	-	-	-	-	-	-	422,552
OCTA Transportation Grant	-	-	-	-	-	-	-	-	-	114,000	114,000
Mission Viejo Cable Television	238,481	-	-	-	3,875	-	-	35,715	-	-	278,071
Mission Viejo TV Capital	150,000	-	-	-	10,000	-	-	-	-	-	160,000
Animal Services	-	-	130,497	-	38,200	-	-	1,889,634	-	-	2,058,331
Total	1,758,711	471,892	5,042,665	3,225,355	2,587,825	3,229,270	18,092,991	18,752,542	3,164,767	4,889,385	61,215,404



2015-2017 Budget
Operating Budget by Fund and Program Area

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
General Fund							
General Government-Legislative							
City Council Administration	253,891	247,997	253,028	241,101	-4.7%	245,044	1.6%
Commissions	68,189	47,803	69,499	72,215	3.9%	70,729	-2.1%
City Clerk Administration	72,216	79,018	79,906	82,077	2.7%	85,674	4.4%
Cable Television - CC	31,687	-	-	-	0.0%	-	0.0%
Council Support	61,426	66,037	68,684	68,602	-0.1%	70,914	3.4%
Elections	93,765	45,856	104,473	47,655	-54.4%	103,210	116.6%
Public Information	248,677	247,769	363,924	314,254	-13.6%	319,698	1.7%
Records Management	102,678	86,829	84,104	89,058	5.9%	90,961	2.1%
Legal Services	310,003	354,051	335,000	384,000	14.6%	384,000	0.0%
Total General Government-Legislative	1,242,532	1,175,360	1,358,618	1,298,962	-4.4%	1,370,230	5.5%
General Govt-Mgmt and Support							
City Manager Administration	497,980	466,742	446,917	451,585	1.0%	459,163	1.7%
Admin Services Administration	321,196	320,918	343,690	360,256	4.8%	374,191	3.9%
Accounting and Payroll	528,554	552,798	591,795	558,303	-5.7%	546,896	-2.0%
Financial Planning and Budget	51,411	53,894	66,952	59,522	-11.1%	71,133	19.5%
Purchasing	42,932	44,607	47,479	48,307	1.7%	49,967	3.4%
Human Resources	223,500	252,396	297,169	287,446	-3.3%	280,025	-2.6%
Treasury	322,674	341,111	343,786	391,032	13.7%	356,833	-8.7%
Risk Management	94,429	103,056	116,925	118,350	1.2%	122,308	3.3%
Interdepartmental	2,222,919	1,965,929	4,119,853	1,870,097	-54.6%	1,648,449	-11.9%
Debt Service	1,305,294	1,365,501	1,365,840	1,360,650	-0.4%	1,370,700	0.7%
OCTA Fund Exchange	1,981,452	-	-	-	0.0%	-	0.0%
Information Technology	1,768,632	2,316,634	3,741,910	2,587,008	-30.9%	2,439,850	-5.7%
Integrated Waste Management	116,524	109,594	191,212	150,805	-21.1%	149,363	-1.0%
Total General Govt-Mgmt and Support	9,477,497	7,893,180	11,673,528	8,243,360	-29.4%	7,868,879	-4.5%
Public Safety							
Police Administration	1,842,008	1,924,168	3,162,872	2,824,623	-10.7%	2,838,851	0.5%
Patrol Services	6,916,795	6,499,938	7,080,000	7,272,621	2.7%	7,563,526	4.0%
Traffic	2,062,080	2,557,648	2,582,308	2,809,758	8.8%	2,918,648	3.9%
Crime Prevention	1,130,874	1,308,629	1,317,246	1,366,859	3.8%	1,418,342	3.8%
Investigation	1,341,105	1,287,460	1,253,581	1,285,673	2.6%	1,337,100	4.0%
Police Services Supervision	1,708,101	1,801,005	1,749,937	1,794,735	2.6%	1,866,525	4.0%
Parking Enforcement	208,958	-	-	-	0.0%	-	0.0%
Crossing Guards	354,653	272,345	300,000	305,000	1.7%	315,000	3.3%
Animal Services	-	25,966	5,497	-	-100.0%	-	0.0%
Emergency Preparedness	192,919	182,157	179,006	173,377	-3.1%	181,781	4.8%
Street Lighting	499,653	914,246	902,500	930,000	3.0%	930,000	0.0%
Total Public Safety	16,257,146	16,773,562	18,532,947	18,762,647	1.2%	19,369,773	3.2%



2015-2017 Budget
Operating Budget by Fund and Program Area

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Community Development							
Community Development Admin	161,758	198,691	151,665	154,587	1.9%	159,970	3.5%
Advanced Planning	252,076	163,126	220,291	205,475	-6.7%	191,251	-6.9%
Current Planning	244,636	316,075	326,065	337,600	3.5%	347,540	2.9%
Building	1,051,323	1,186,206	1,226,084	1,330,800	8.5%	1,330,800	0.0%
Code Enforcement	257,645	279,690	255,694	210,592	-17.6%	241,244	14.6%
Economic Development	174,377	197,874	219,002	376,883	72.1%	381,265	1.2%
Water Quality- Comm. Developmt	112,704	101,741	120,214	116,517	-3.1%	123,209	5.7%
Total Community Development	2,254,519	2,443,403	2,519,015	2,732,454	8.5%	2,775,280	1.6%
Engineering & Transportation							
Public Works Administration	317,602	322,709	362,226	348,873	-3.7%	360,009	3.2%
Engineering	291,779	485,226	364,380	293,127	-19.6%	300,686	2.6%
Inspection	271,108	259,855	355,683	248,655	-30.1%	257,050	3.4%
Water Quality - Public Works	473,783	454,197	590,073	631,197	7.0%	639,539	1.3%
Transportation Planning	105,441	106,320	128,054	109,780	-14.3%	113,316	3.2%
Traffic Operations	84,767	96,608	111,488	104,975	-5.8%	108,508	3.4%
Traffic Safety	65,482	79,700	90,682	86,935	-4.1%	89,681	3.2%
Signal Maintenance	505,004	354,448	512,124	486,869	-4.9%	489,615	0.6%
Total Engineering & Transportation	2,114,966	2,159,063	2,514,710	2,310,411	-8.1%	2,358,404	2.1%
Infrastructure Maintenance							
Public Services Administration	263,102	297,495	290,610	294,451	1.3%	304,545	3.4%
Street Maintenance	1,199,344	2,276,312	2,296,404	2,192,136	-4.5%	2,209,957	0.8%
Fleet Maintenance	158,151	136,549	151,407	162,361	7.2%	163,663	0.8%
Environmental Maintenance	648,281	702,710	669,359	686,768	2.6%	694,127	1.1%
Parks Maintenance	5,626,817	5,672,668	5,875,522	6,487,278	10.4%	6,484,551	0.0%
Medians and Parkways Maint	2,250,990	2,584,312	2,545,386	2,722,292	7.0%	2,729,735	0.3%
Urban Forestry	702,833	672,099	674,155	674,813	0.1%	676,929	0.3%
Facilities Maintenance	473,236	478,264	507,992	518,624	2.1%	530,492	2.3%
Facilities Maintenance-RecCtrs	509,467	443,799	535,457	525,241	-1.9%	518,651	-1.3%
Fac Maint-Aqua/NPM/Ptki/Melnd	862,921	835,194	952,103	906,179	-4.8%	899,681	-0.7%
Facilities Maintenance-Library	115,837	124,948	119,678	131,217	9.6%	135,272	3.1%
Total Infrastructure Maintenance	12,810,979	14,224,350	14,618,073	15,301,360	4.7%	15,347,603	0.3%
Recreatn/Commnty/Library Svcs							
Rec&Comm Services Admin	348,635	280,308	320,906	328,089	2.2%	336,799	2.7%
Recreation	884,874	864,256	869,030	878,903	1.1%	880,846	0.2%
NPM Community and Sr Center	883,712	843,788	811,926	889,634	9.6%	873,083	-1.9%
Community Services	350,176	329,806	293,076	327,624	11.8%	344,789	5.2%
Montanoso Recreation Center	872,017	884,481	896,832	912,367	1.7%	916,902	0.5%
Sierra Recreation Center	634,815	659,350	730,049	711,899	-2.5%	730,333	2.6%
Marguerite Tennis Center	345,988	529,256	493,984	448,677	-9.2%	456,661	1.8%
Felipe Tennis Center	229,553	225,012	224,624	231,247	2.9%	235,973	2.0%
Cultural Services	305,398	300,871	360,493	329,675	-8.5%	337,635	2.4%
Total Recreatn/Commnty/Library Svcs	4,855,168	4,917,128	5,000,920	5,058,114	1.1%	5,113,020	1.1%
Total General Fund	49,012,807	49,586,046	56,217,811	53,707,309	-4.5%	54,203,188	0.9%



2015-2017 Budget
Operating Budget by Fund and Program Area

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Successor Agency Admin Costs							
<i>General Govt-Mgmt and Support</i>							
City Manager	-	-	11,498	12,278	6.8%	12,729	3.7%
Admin Services Administration	-	-	33,646	67,643	101.0%	70,130	3.7%
Treasury	-	-	32,745	-	-100.0%	-	0.0%
Total General Govt-Mgmt and Support	-	-	77,889	79,921	2.6%	82,859	3.7%
Total Successor Agency Admin Costs	-	-	77,889	79,921	2.6%	82,859	3.7%

Computer/Equip/Furn/Veh Repl

<i>General Govt-Mgmt and Support</i>							
Information Technology	2,258	88,787	22,538	496,000	2100.7%	-	-100.0%
Total General Govt-Mgmt and Support	2,258	88,787	22,538	496,000	2100.7%	-	-100.0%

Public Safety

Traffic	-	-	27,000	-	-100.0%	-	100.0%
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Infrastructure Maintenance

Parks Maintenance	-	11,300	-	-	0.0%	-	0.0%
Street Maintenance	-	11,300	-	-	0.0%	-	0.0%
Total Infrastructure Maintenance	-	22,600	-	-	0.0%	-	0.0%

Recreatn/Commnty/Library Svcs

Montanoso Recreation Center	-	-	32,000	-	-100.0%	-	-
Sierra Recreation Center	-	-	15,500	-	-100.0%	-	-
Total Recreatn/Commnty/Library Svcs	-	-	47,500	-	-100.0%	-	-
Total Computer/Equip/Furn/Veh Repl	2,258	111,387	97,038	496,000	411.1%	-	-

Library Fund

<i>General Govt-Mgmt and Support</i>							
Information Technology	162,934	76,665	129,068	95,900	-25.7%	95,900	0.0%
Total General Govt-Mgmt and Support	162,934	76,665	129,068	95,900	-25.7%	95,900	0.0%

Infrastructure Maintenance

Facilities Maintenance-Library	335,591	323,702	386,666	362,810	-6.2%	367,810	1.4%
Total Infrastructure Maintenance	335,591	323,702	386,666	362,810	-6.2%	367,810	1.4%



2015-2017 Budget
Operating Budget by Fund and Program Area

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Recreatn/Commnty/Library Svcs							
Library Administration	542,502	547,309	475,449	471,908	-0.7%	401,399	-14.9%
Library Operations	714,681	733,438	761,225	747,643	-1.8%	767,766	2.7%
Library Public Services	1,175,823	1,229,107	1,374,939	1,336,958	-2.8%	1,353,894	1.3%
Library Support Services	361,754	406,392	403,231	397,826	-1.3%	368,576	-7.4%
Total Recreatn/Commnty/Library Svcs	2,794,760	2,916,246	3,014,844	2,954,335	-2.0%	2,891,635	-2.1%
Total Library Fund	3,293,285	3,316,613	3,530,578	3,413,045	-3.3%	3,355,345	-1.7%

Suppl Law Enforcement Svcs Fd

Public Safety

Traffic	228,000	150,000	150,000	150,000	0.0%	150,000	0.0%
Total Suppl Law Enforcement Svcs Fd	228,000	150,000	150,000	150,000	0.0%	150,000	0.0%

OCTA Fund Exchange Fund

Public Safety

Street Lighting	402,500	-	-	-	-	-	-
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Infrastructure Maintenance

Street Maintenance	1,027,973	-	-	-	-	-	-
Medians and Parkways Maint	511,651	-	-	-	-	-	-
Total Infrastructure Maintenance	1,539,624	-	-	-	-	-	-
Total OCTA Fund Exchange Fund	1,942,124	-	-	-	-	-	-

State Gas Tax Fund

Engineering & Transportation

Public Works Administration	4,150	275	5,000	5,000	0.0%	5,000	0.0%
Engineering	-	9,700	-	70,000	100.0%	-	-100.0%
Traffic Operations	59,350	46,207	99,900	65,000	-34.9%	65,000	0.0%
Traffic Safety	-	-	-	10,000	100.0%	10,000	0.0%
Signal Maintenance	119,966	208,686	283,252	262,000	-7.5%	262,000	0.0%
Total Engineering & Transportation	183,466	264,868	388,152	412,000	6.1%	342,000	-17.0%
Total State Gas Tax Fund	183,466	264,868	388,152	412,000	6.1%	342,000	-17.0%

Gas Tax - 2107.5 Fund

General Govt-Mgmt and Support

Accounting and Payroll	-	-	2,000	1,913	-4.4%	1,982	3.6%
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Engineering & Transportation

Public Works Administration	-	6,243	7,757	15,000	93.4%	-	-100.0%
Engineering	-	13,978	2,023	-	-100.0%	-	-
Total Engineering & Transportation	-	20,221	9,780	15,000	53.4%	-	-100.0%
Total Gas Tax - 2107.5 Fund	-	20,221	11,780	16,913	43.6%	1,982	-88.3%



2015-2017 Budget
Operating Budget by Fund and Program Area

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Air Quality Imprvmnt Trust Fd							
<i>General Govt-Mgmt and Support</i>							
Accounting and Payroll	1,831	1,930	1,984	2,070	4.3%	2,075	0.2%
<i>Community Development</i>							
Advanced Planning	45,151	50,398	45,000	45,000	0.0%	45,000	0.0%
<i>Engineering & Transportation</i>							
Traffic Operations	-	1,739	-	-	-	-	-
Total Air Quality Imprvmnt Trust Fd	46,982	54,067	46,984	47,070	0.2%	47,075	0.0%

Measure M-Growth Mgmt Area9 Fd

<i>Engineering & Transportation</i>							
Public Works Administration	-	(2,915)	-	-	-	-	-
Total Measure M-Growth Mgmt Area9 Fd	-	(2,915)	-	-	-	-	-

Sr Center Operations Fund

<i>Recreatn/Commnty/Library Svcs</i>							
NPM Community and Sr Center	142,392	169,097	224,725	-	-100.0%	-	-
Total Sr Center Operations Fund	142,392	169,097	224,725	-	-100.0%	-	-

Regional Narcotics Suppression Fund

<i>Public Safety</i>							
Patrol	-	-	11,089	-	-100.0%	-	-
Total Suppl Law Enforcement Svcs Fd	-	-	11,089	-	-100.0%	-	-

Comm Development Block Grant

<i>General Govt-Mgmt and Support</i>							
Accounting and Payroll	7,434	1,766	13,145	14,459	10.0%	14,967	3.5%
Treasury	1,838	938	2,255	2,423	7.5%	2,510	3.6%
Total General Govt-Mgmt and Support	9,272	2,704	15,400	16,882	9.6%	17,477	3.5%
<i>Community Development</i>							
Community Development Admin	71,251	41,630	73,395	68,142	-7.2%	69,405	1.9%
Housing/Economic Opportunity	234,375	266,860	551,200	260,670	-52.7%	335,670	28.8%
Total Community Development	305,626	308,490	624,595	328,812	-47.4%	405,075	23.2%
Total Comm Development Block Grant	314,898	311,194	639,995	345,694	-46.0%	422,552	22.2%

Misc Federal Grants Fund

<i>Public Safety</i>							
Emergency Preparedness	12,750	17,166	-	-	0.0%	-	0.0%
Total Misc Federal Grants Fund	12,750	17,166	-	-	0.0%	-	0.0%

Senior Mobility Grant Fund

<i>Recreatn/Commnty/Library Svcs</i>							
NPM Community and Sr Center	-	-	-	114,000	100.0%	114,000	0.0%
Total OCTA Transportation Grant Fund	-	-	-	114,000	100.0%	114,000	0.0%



2015-2017 Budget
Operating Budget by Fund and Program Area

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Mission Viejo Television Fund							
<i>General Govt-Legislative</i>							
City Clerk-Cable Television	155,144	226,849	243,467	235,782	-3.2%	238,481	1.1%
<i>General Govt-Mgmt and Support</i>							
Information Technology	8,235	2,799	4,950	3,875	-21.7%	3,875	0.0%
<i>Infrastructure Maintenance</i>							
Facilities Maintenance-Library	30,319	32,173	35,715	35,715	0.0%	35,715	0.0%
Total Mission Viejo Television Fund	193,698	261,821	284,132	275,372	-3.1%	278,071	1.0%
Mission Viejo TV Capital Fund							
<i>General Govt-Legislative</i>							
City Clerk-Cable Television	36,432	94,553	162,500	675,000	315.4%	150,000	-77.8%
<i>General Govt-Mgmt and Support</i>							
Information Technology	-	-	20,000	10,000	-50.0%	10,000	0.0%
Total Mission Viejo TV Capital Fund	36,432	94,553	182,500	685,000	275.3%	160,000	-76.6%
Animal Services Fund							
<i>General Govt-Mgmt and Support</i>							
Treasury	95,199	107,571	109,615	127,734	16.5%	130,497	2.2%
Information Technology	34,467	23,449	59,638	37,200	-37.6%	38,200	2.7%
Total General Govt-Mgmt and Support	129,666	131,020	169,253	164,934	-2.6%	168,697	2.3%
<i>Public Safety</i>							
Public Safety Animal Services	1,416,465	1,519,038	1,646,805	1,752,604	6.4%	1,682,289	-4.0%
<i>Infrastructure Maintenance</i>							
Fleet Maintenance	38,403	38,564	35,500	37,500	5.6%	38,500	2.7%
Parks Maintenance	132,931	114,135	87,500	116,245	32.9%	116,245	0.0%
Facilities Maintenance	27,035	25,753	131,036	52,600	-59.9%	52,600	0.0%
Total Infrastructure Maintenance	198,369	178,452	254,036	206,345	-18.8%	207,345	0.5%
Total Animal Services Fund	1,744,500	1,828,510	2,070,094	2,123,883	2.6%	2,058,331	-3.1%
Total Operating Budget	57,153,592	56,182,628	63,932,767	61,866,208	-3.2%	61,215,404	-1.1%

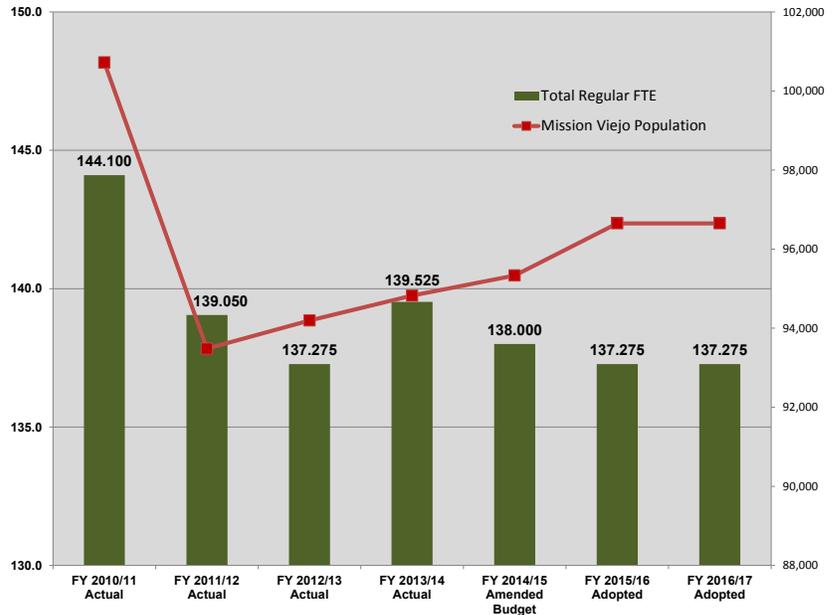


CITY OF MISSION VIEJO Staffing

Since incorporation, the City of Mission Viejo has used a “contract city” approach for the delivery of most municipal services. This approach has allowed the City to minimize the portion of the budget allocated for personnel costs and to thereby maintain greater budget flexibility. For example, most “full-service” cities (e.g., those with their own fire and police departments) spend upwards of two-thirds of their budgets on personnel costs. However, the City of Mission Viejo has historically spent less than thirty percent of appropriations on personnel (i.e., salaries, benefits, etc.).

This approach allows the City to adjust spending more easily during times of fiscal austerity. To balance the budget during the recession the total number of full-time equivalent (FTE) positions had been reduced each year since FY 2008-09, with the exception of an increase of 2 FTE positions added in FY 2013-14. Since that time the two additions have been reduced back to the targeted number of 137.275 FTE positions. The reductions in FTE were made through attrition.

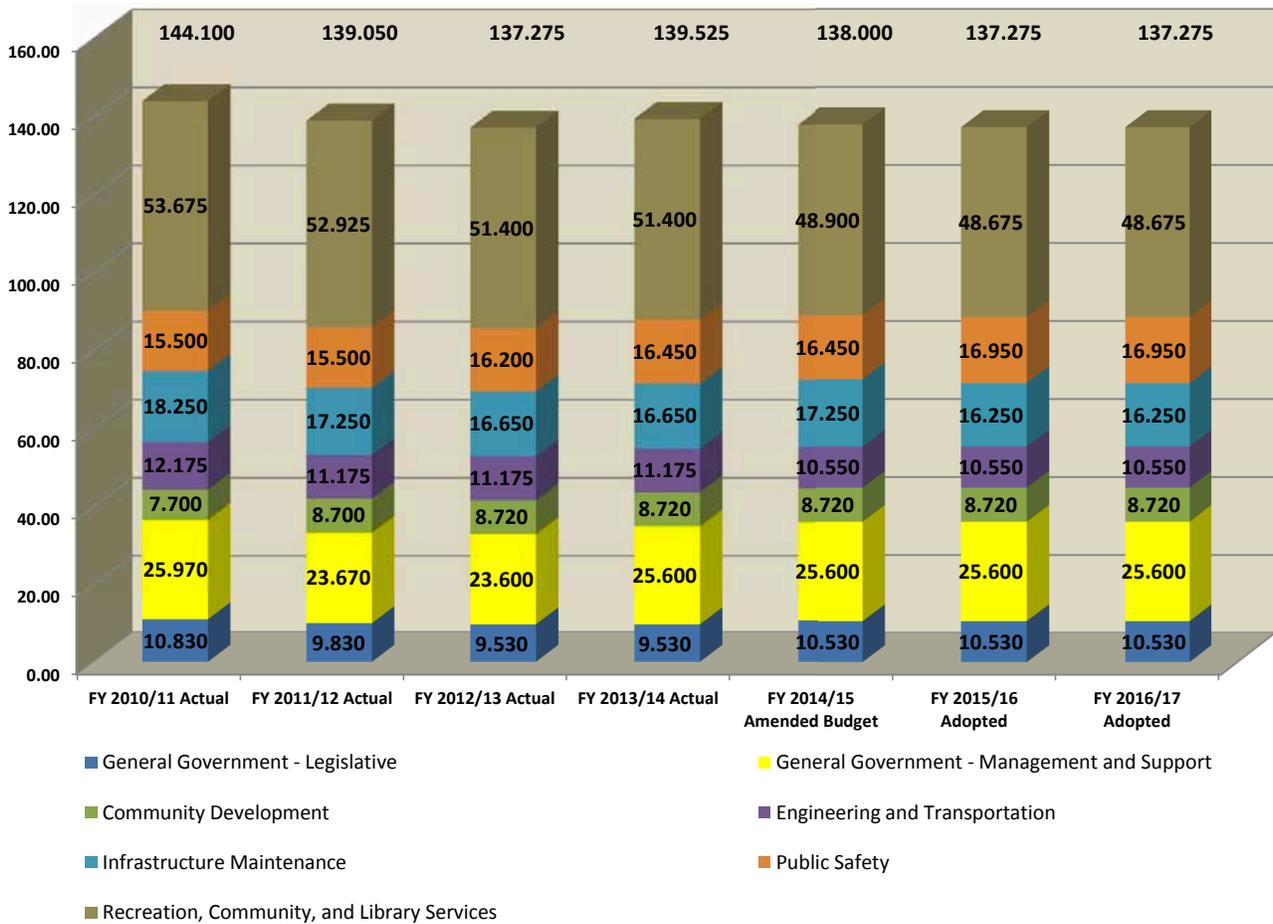
As the chart on this page illustrates, over the last six fiscal years, staffing levels have dropped from the FY 2010-11 number of 144.100 FTE to 137.275 FTE in the most recent fiscal year. This is a total decrease of 6.825 positions over six fiscal years and 18.9 positions since the peak in FY 2008-09. The 2015-2017 proposed budget includes a total reduction of 0.725 FTE. This will result in 137.275 FTE in FY 2015-16 and FY 2016-17.



Mission Viejo is dedicated to maintaining a balanced budget and “doing more with less” in an effort to continue its long tradition of responsible fiscal management. Part of this effort is to review staffing levels in each program as part of the budget process and then adjust them accordingly.



2015-2017 Budget Summary of Authorized Positions



Program Area	FY 2010/11 Actual	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	Change from Prior Year	FY 2016/17 Adopted	Change from Prior Year
General Government - Legislative	10.830	9.830	9.530	9.530	10.530	10.530	0.000	10.530	0.000
General Government - Management and Support	25.970	23.670	23.600	25.600	25.600	25.600	0.000	25.600	0.000
Community Development	7.700	8.700	8.720	8.720	8.720	8.720	0.000	8.720	0.000
Engineering and Transportation	12.175	11.175	11.175	11.175	10.550	10.550	0.000	10.550	0.000
Infrastructure Maintenance	18.250	17.250	16.650	16.650	17.250	16.250	-1.000	16.250	0.000
Public Safety	15.500	15.500	16.200	16.450	16.450	16.950	0.500	16.950	0.000
Recreation, Community, and Library Services	53.675	52.925	51.400	51.400	48.900	48.675	-0.225	48.675	0.000
FTE TOTALS	144.100	139.050	137.275	139.525	138.000	137.275	-0.725	137.275	0.000



**2015-2017 Budget
Program Area Summary
General Government - Legislative
Expenditures, All Funds: FY 2012/13 - FY 2016/17**

The General Government – Legislative Program Area provides overall policy and legal direction to the City of Mission Viejo. This program area is comprised of three departments: City Council, City Clerk, and City Attorney. These three departments oversee a total of nine different programs.

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
City Council Department							
City Council Administration	253,891	247,997	253,028	241,101	-4.7%	245,044	1.6%
Commissions	68,189	47,803	69,499	72,215	3.9%	70,729	-2.1%
Total City Council	322,080	295,800	322,527	313,316	-2.9%	315,773	0.8%
City Clerk Department							
City Clerk Administration	72,216	79,018	79,906	82,077	2.7%	85,674	4.4%
Cable Television	223,263	321,402	405,967	910,782	124.3%	388,481	-57.3%
Council Support	61,426	66,037	68,684	68,602	-0.1%	70,914	3.4%
Elections	93,765	45,856	104,473	47,655	-54.4%	103,210	116.6%
Public Information	248,677	247,769	363,924	314,254	-13.6%	319,698	1.7%
Records Management	102,678	86,829	84,104	89,058	5.9%	90,961	2.1%
Total City Clerk	802,025	846,911	1,107,058	1,512,428	36.6%	1,058,938	-30.0%
City Attorney Department							
Legal Services	310,003	354,051	335,000	384,000	14.6%	384,000	0.0%
Total City Attorney	310,003	354,051	335,000	384,000	14.6%	384,000	0.0%
Total General Government - Legislative	1,434,108	1,496,762	1,764,585	2,209,744	25.2%	1,758,711	-20.4%

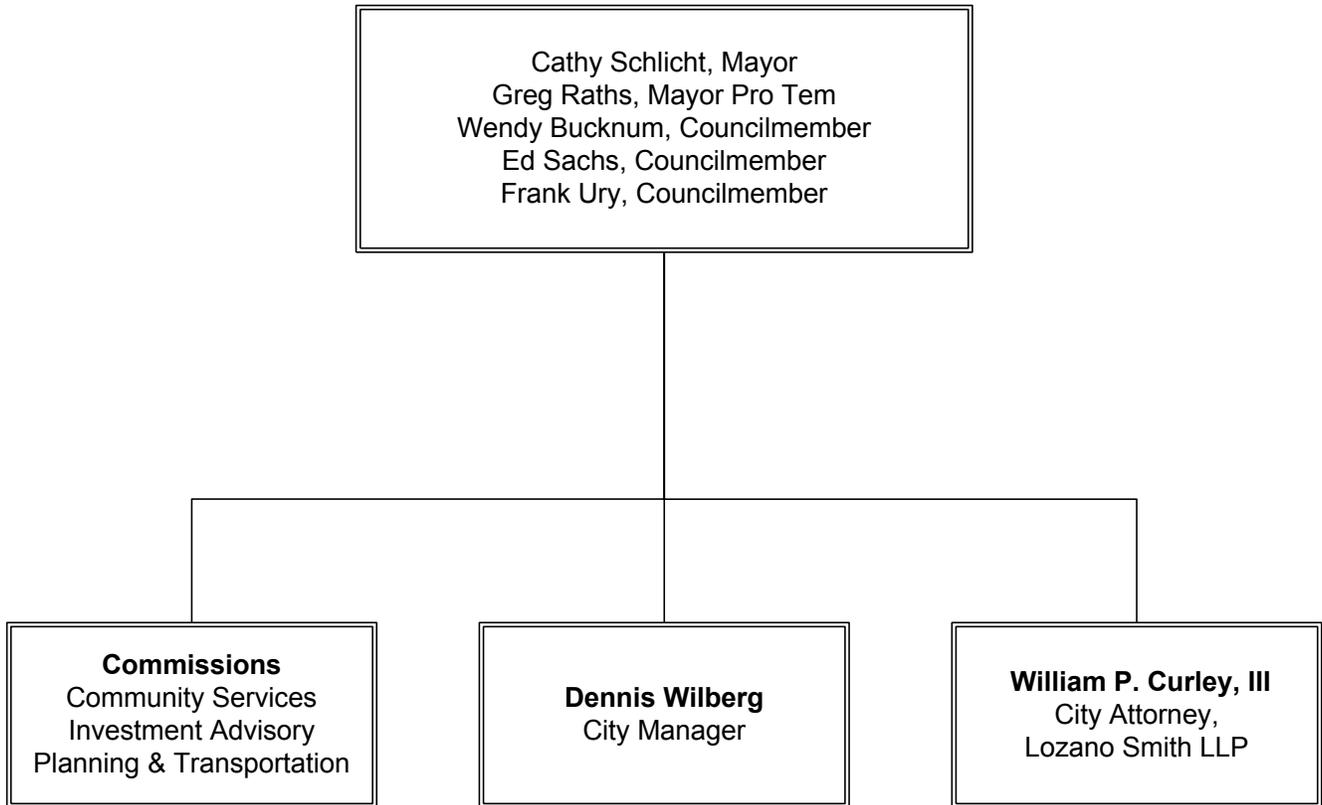


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CITY OF MISSION VIEJO
2015-17 Department Organizational Chart

CITY COUNCIL



Department Description:

The City Council sets policies that are implemented by the City Manager and staff.



CITY OF MISSION VIEJO
2015-17 Department Objectives
City Council/Commissions

Strategic Goal(s)

City Council



Upon completion of the Economic Development Strategic Plan, provide guidance to staff on strategies to implement recommendations identified in the Plan and foster economic vitality and land use revitalization within the various business hubs in the City.



Monitor the unfunded liabilities of the city and provide guidance to staff in efforts to completely eliminate the unfunded liability of the retiree healthcare plan by June 30, 2016; and achieve an 85% funded status on the pension plan by June 30, 2017.



Facilitate the rehabilitation of two park playgrounds, including approving plans and specifications for public bidding, awarding construction contracts and approving sufficient appropriations based on City Council approved scope of work.



Facilitate the construction of two new park restroom facilities, including approving restroom facilities locations based on Park Restroom Master Plan priorities, Community Services Commission recommendations and input from members of the public, approving plans and specifications for public bidding, awarding construction contracts and approving sufficient appropriations based on City Council approved scope of work.



Facilitate the rehabilitation of the Marguerite Aquatics Complex, including approving a scope of work based on the Needs Assessment Study, Community Services Commission recommendations, input from the Nadadores Foundation community and input from members of the public, approving plan and specs for public bidding, awarding construction contracts, approve a funding plan in coordination with the Nadadores Foundation, and approving sufficient appropriations based on City Council approved scope of work.



Serve as the Mission Viejo representative on regional boards and committees including the Orange County Fire Authority (OCFA), the Transportation Corridor Agency (TCA), the Orange County Council of Governments (OCCOG), California Joint Powers Insurance Authority (CJPIA), the Orange County Transportation Authority (OCTA), Southern California Association of Governments (SCAG), South Orange County Watershed Management Area Executive Committee, the League of California Cities and the Association of California Cities-Orange County.

Commissions



Planning and Transportation Commission - Upon completion of the Economic Development Strategic Plan, provide guidance to City Council, as needed, on strategies to implement recommendations identified in the Plan and foster economic vitality and land use revitalization within the various business hubs in the City.



Community Services Commission – Facilitate the construction of two new park restroom facilities by overseeing the public input process based on restroom locations prioritized in the Park Restroom Master Plan and provide recommendations for location to the City Council.



Investment Advisory Commission – Monitor the City’s investment portfolio for compliance with City investment policies and provide guidance and recommendations on policy changes to the City Council.



CITY OF MISSION VIEJO
2015-17 Department Performance Measures
City Council



City Council

- Approved special payments to both the pension and retiree healthcare plans to reduce unfunded liabilities with the goal of completely eliminating the retiree healthcare liability by June 30, 2016 and achieving an 85% pension plan funded status by June 30, 2017.
- Participated in a day-long pre-budget discussion workshop in January 2015 to set priorities and provide guidance to staff for the development of the FY 2015-17 budget.
- Approved the performance of additional Agreed Upon Audit Procedures (AUP) of various Administrative Services Department functions, including review of employee compensation, investments, wire transfers, purchase order process and Calcard procedures and purchases.
- Through the Ad Hoc Economic Development Committee, secured an Agreement with Kosmont Companies for economic development advisory services and the preparation of Economic Development Strategy for the City, with special emphasis on the Mission Viejo Village Shopping Center.
- Approved three mandatory General Plan Elements: Land Use, Circulation, and Conservation/Open Space.
- Re-evaluated the Special Fire Protection Area designation for the City and approved the rescission of the designation.
- Served as the Mission Viejo representative on regional boards and committees including the Orange County Fire Authority (OCFA), the Transportation Corridor Agency (TCA), the Orange County Council of Governments (OCCOG), California Joint Powers Insurance Authority (CJPIA), the Orange County Transportation Authority (OCTA), Southern California Association of Governments (SCAG), South Orange County Watershed Management Area Executive Committee, the League of California Cities and the Association of California Cities-Orange County.

Commissions

- Community Services Commission reviewed the updated Community Services Master Plan and recommended approval to the City Council.
- Community Services Commission reviewed the Marguerite Aquatics Complex Needs Assessment Study, received input from the Nadadores Foundation and members of the public and forwarded a recommendation for scope of work for the rehabilitation of the complex to the City Council in June 2015.
- Planning and Transportation Commission approved the following new development projects and businesses: Hampton Inn & Suites, GreenStreet retail and auto spa, Avery Center remodel, Union Market at Kaleidoscope, Larga Vista commercial center remodel, CostPlus World Market, Pub Thirty Two restaurant, Broken Yolk café, Pizza Studio, Evolution Swim Academy, Orange Theory Fitness, and approximately 15 new wireless telecommunication facilities. This included 18 Conditional Use Permits (CUP) processed within 6-8 weeks from date of complete application submittal. Approximately 94% of CUPs were approved after one Commission meeting (unless continued at applicant's request) and only one CUP was appealed to City Council.
- Investment and Advisory Commission approved the bi-annual selection of broker/dealers in May 2015 to be utilized by City staff during the next two year period.



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**2015-2017 Budget
City Council
Department Summary**

Department Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Administration	253,891	247,997	253,028	241,101	-4.7%	245,044	1.6%
Commissions	68,189	47,803	69,499	72,215	3.9%	70,729	-2.1%
Total Department Budget	322,080	295,800	322,527	313,316	-2.9%	315,773	0.8%
Department Expenditures by Category							
Salaries & wages	157,796	136,006	148,568	150,277	1.2%	152,985	1.8%
Benefits	93,697	97,979	104,274	84,378	-19.1%	86,695	2.7%
Professional/Technical Contractual Svcs	24,531	15,795	21,380	20,000	-6.5%	20,600	3.0%
Supplies	9,541	11,778	11,250	17,210	53.0%	17,210	0.0%
Dues/Memberships/Subscriptions	279	99	190	198	4.2%	198	0.0%
Travel/Training/Meetings	11,038	13,872	13,260	22,493	69.6%	19,325	-14.1%
Other services/fees	14,140	18,046	18,580	16,010	-13.8%	16,010	0.0%
Contributions to agencies/organizations	11,058	2,225	5,025	2,750	-45.3%	2,750	0.0%
Total Department Budget	322,080	295,800	322,527	313,316	-2.9%	315,773	0.8%
Funding Source							
General Fund	322,080	295,800	322,527	313,316		315,773	
Total Department Budget	322,080	295,800	322,527	313,316		315,773	
Personnel Summary	6.53	6.38	6.38	6.38		6.38	



**2015-2017 Budget
Program Summary
City Council-Administration**

Program Description:

The City Council/Administration program sets policies that are implemented by the City Manager and staff.

Category Expenditure Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Salaries & wages	119,831	113,058	114,637	115,317	0.6%	116,976	1.4%
Benefits	78,055	88,265	89,686	70,326	-21.6%	72,010	2.4%
Professional/Technical Contractual Svcs	24,531	15,795	21,380	20,000	-6.5%	20,600	3.0%
Supplies	9,076	11,345	9,500	15,710	65.4%	15,710	0.0%
Dues/Memberships/Subscriptions	89	99	-	198	0.0%	198	0.0%
Travel/Training/Meetings	9,186	11,416	11,000	16,500	50.0%	16,500	0.0%
Other services/fees	2,423	5,794	2,300	300	-87.0%	300	0.0%
Contributions to agencies/organizations	10,700	2,225	4,525	2,750	-39.2%	2,750	0.0%
Total Program Area Budget	253,891	247,997	253,028	241,101	-4.7%	245,044	1.6%

Funding Source

General Fund	253,891	247,997	253,028	241,101		245,044
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Personnel Summary	5.90	5.75	5.75	5.75		5.75
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Significant Changes and Other Notes:

Professional/Technical Contractual Services includes a contract with Blais and Associates for grant development services.
 Travel/Training/Meetings includes a \$3,100 training, education and mileage reimbursement budget for each Council member for each year.
 Contributions to agencies/organizations includes support for Vocational Visions, Rotary Club, OCFA Best and Bravest Awards Dinner.



**2015-2017 Budget
Program Summary
City Council-Commissions**

Program Description:

This program is comprised of: the Planning and Transportation Commission, Community Services Commission, and the Investment Advisory Commission. All three of these commissions make recommendations to the City Council on a variety of issues specific to their focus. Commission members are appointed by the City Council and serve two-year terms. Each commission meets regularly and all commission meetings are open to the public.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	37,965	22,948	33,931	34,960	3.0%	36,009	3.0%
Benefits	15,642	9,714	14,588	14,052	-3.7%	14,685	4.5%
Supplies	465	433	1,750	1,500	-14.3%	1,500	0.0%
Dues/Memberships/Subscriptions	190	-	190	-	-100.0%	-	0.0%
Travel/Training/Meetings	1,852	2,456	2,260	5,993	165.2%	2,825	-52.9%
Other services/fees	11,717	12,252	16,280	15,710	-3.5%	15,710	0.0%
Contributions to agencies/organizations	358	-	500	-	-100.0%	-	0.0%
Total Program Area Budget	68,189	47,803	69,499	72,215	3.9%	70,729	-2.1%
Funding Source							
General Fund	68,189	47,803	69,499	72,215		70,729	
Personnel Summary							
	0.63	0.63	0.63	0.63		0.63	

Significant Changes or Other Notes:

Other services/fees includes Commission stipends.



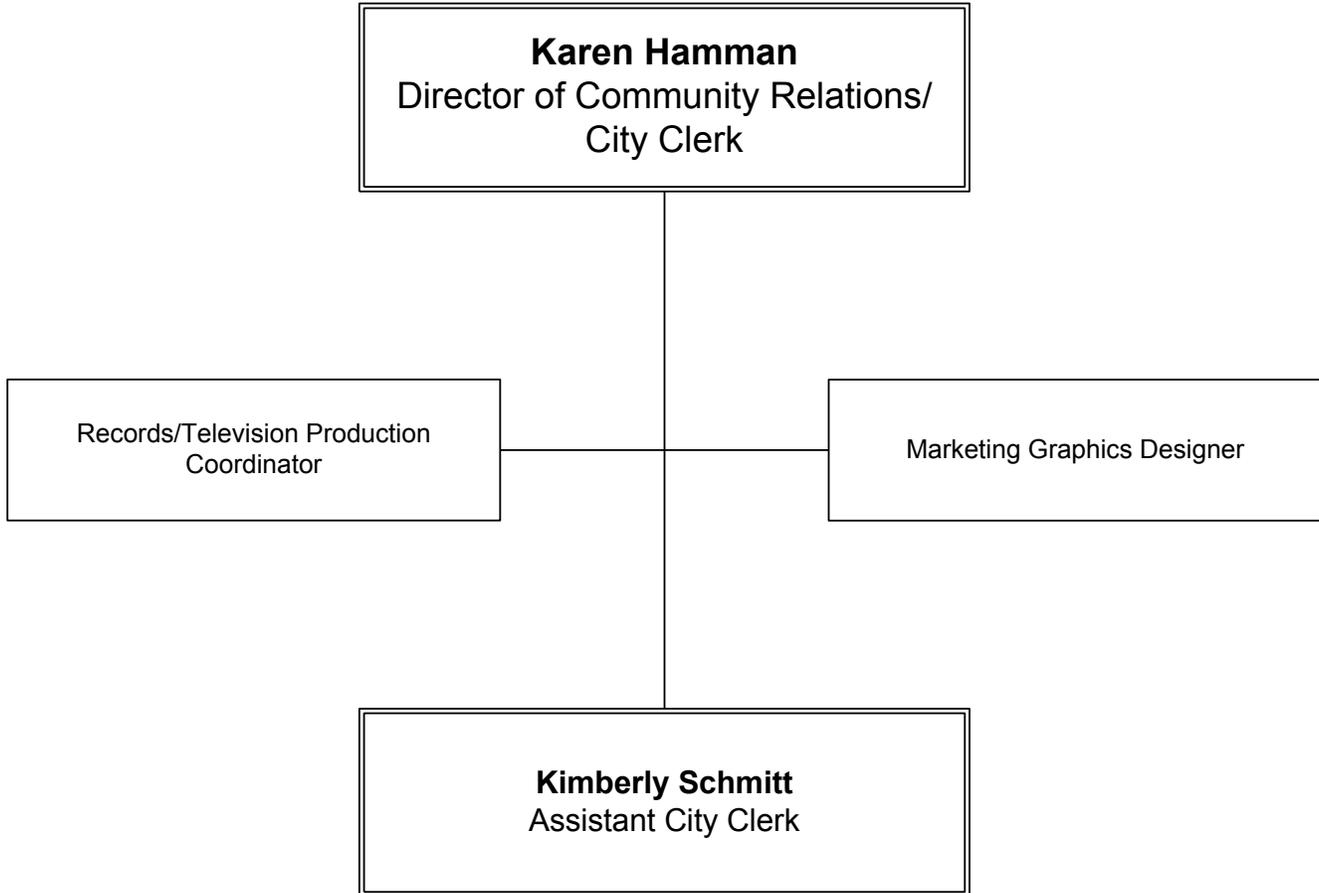
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CITY OF MISSION VIEJO
2015-17 Department Organizational Chart



CITY CLERK



Department Description:

This department is responsible for the functions and duties prescribed by State law for general law cities and as set forth by the Mission Viejo Municipal Code. The department is composed of six programs: Administration, Council Support, Cable Television, Elections, Public Information, and Records Management.



CITY OF MISSION VIEJO
2015-17 Department Objectives
City Clerk

Strategic Goal(s)



Produce a Mission Viejo Television program(s) to market the community's amenities, locations and livability, and support economic development efforts between the City and the business community, including highlighting the civic core (City Hall, Library, shops, restaurants and Oso Creek Trail access).



In coordination with Information Technology Department (IT), upgrade the Mission Viejo Television studio and Council Chamber infrastructure to replace aging equipment and provide capabilities of recording and broadcasting in High Definition both on television and online. An upgraded production system will be used in a wide variety of environments, including the filming of City Council Meetings as well as features that allow for in-studio and on-location productions; meeting key needs such as mobile broadcasting, compatibility with other City systems, and integration with cable providers for local public access television. Upgrades to the studio will provide superior services that meet the unique needs of the community and upgrades to the Council Chambers will ensure continued transparency of local government.



In coordination with IT, evaluate document management system applications to replace the City's current agenda and document management system Sire, which is no longer supported. With support from all departments, select a system that is dependable, accessible and compatible with other City systems in order to protect and manage the public record.



Explore the feasibility of partnering with other local cities to share suitable MVTV programming to not only reduce costs for the City of Mission Viejo, but to allow for broader programming that will benefit south county cities and connect the communities.



Participate as a member of the Orange County Registrar of Voters Community Election Working Group, a forum for updating the community on election issues and to promote community involvement in elections within Orange County in an effort to improve voter turnout in future elections.



Research costs associated with the purchase of an informational kiosk where printed information about city government can be made available to those who choose not to access the information electronically. Identify areas of the community where a kiosk can be tested (e.g. Kaleidoscope, Mission Hospital, shopping center across from City Hall, City events) in efforts to create and foster a sense of community pride through citizen involvement and engagement.



Provide staff assistance and feedback to IT during the City's website redesign process to ensure that the website best serves the needs of citizens and other stakeholders while enhancing government transparency, citizen involvement, engagement and participation.



CITY OF MISSION VIEJO
2013-15 Department Accomplishments
City Clerk



- Updated the City's Conflict of Interest Code by identifying the new and/or modified positions required to file a Statement of Economic Interest (Form 700). Obtained Conflict of Interest Statements from elected officials and designated employees by April 1, 2014, and April 1, 2015 with 100% compliance.
- Updated and maintained the City's "Agency Report of Ceremonial Role Events and Ticket Distribution" database (Form 802) on the website pursuant to FPPC guidelines and regulations.
- Took and passed the exam for the four-year renewal of the Notary Commission in January 2015 in order to acknowledge City documents as required (City Clerk).
- Advertised and coordinated the appointment of new Planning and Transportation, Economic Development, Community Services, and Investment Advisory Commissioners following the November 2014 election (in January 2015).
- Continued to utilize and promote MVTV and the studio; publicized programs via the blog and hosted three community "screening" events for *An Invisible Line*, a four part series highlighting perscription drug abuse among children in Orange County communities.
- Completed and posted the Agency Report of Public Official Appointments (Form 806) on the City's website in January 2014, and January 2015 pursuant to new FPPC guidelines and regulations.
- Continued to participate as a member of the Orange County Registrar of Voters Community Election Working Group (City Clerk) to provide a forum for updating the entire community on elections issues and to promote community involvement in elections within Orange County.
- Coordinated the November 2014 general municipal election by conducting candidate orientations, issuing and processing Nomination Papers, supervising the assembly of the sample ballot publication, conducting voter outreach, publishing and posting election notices as required by law, and posting campaign documents on the City website within 24 hours of receipt.
- Conducted briefings for newly elected Council Members on City Council Meeting protocol, the agenda process, regulations under the Brown Act, AB1234 requirements and Conflict of Interest Laws.
- Maintained a high level of communication via the website, blog articles, Outlook, Mission Viejo Life (formerly Leisure Time) and the Annual Report to inform the community and the media of the City's programs and special events.
- Began designing Outlook and the Annual Report in-house to save on design costs and to gain greater control of content and images.
- Trained for and continued to serve as lead Public Information Officer/office during a declared local emergency.



CITY OF MISSION VIEJO
2015-17 Department Performance Measures
City Clerk



Performance measures are designed to determine accountability, improve service quality, allocate resources and evaluate departmental performance in meeting Mission Viejo's goals and objectives.

Measure	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Projected
#/% Conflict of Interest Statements processed by stated deadlines	101 / 100%	135 / 100%	137 / 100%	140 / 100%
#/% Contracts processed w/ all required bonds/insurance w/in required timeline	83 / 98%	100 / 98%	85 / 98%	90 / 98%
#/% Agenda item follow-ups completed within 6 days following Council meeting	342 / 95%	385 / 95%	375 / 95%	375 / 95%
#/% Resolutions prepared within 6 days following Council meeting	87 / 100%	90 / 100%	85 / 100%	87 / 100%
#/% Ordinances processed within 6 days following Council meeting	6 / 100%	6 / 100%	5 / 100%	5 / 100%
#/% Council-approved legal documents recorded without defect	13 / 100%	15 / 100%	15 / 100%	15 / 100%
#/% City Council Minutes prepared and approved by the City Council as accurate upon presentation	22 / 86%	24 / 95%	22 / 95%	23 / 95%
# Subscriptions to City Council agendas at year-end	648	733	750	760
# of visitor sessions to City's website	155,224	156,000	160,000	165,000
# of views on the Mission Viejo Life blog	264,856	245,000	250,000	255,000
# eNewsletter subscribers	11,264	11,700	12,000	12,200
% Timeliness of posting blog / news articles within 5 days of request/receipt	100%	100%	100%	100%
#/% of Public Records Act requests processed within ten days	472 / 99%	475 / 98%	480 / 98%	485 / 98%
# of boxes of records processed for inactive storage	69	100	90	90
# of boxes of records purged	124	100	195*	90
% of registered voters voting in general election	N/A	47%	N/A	55%
# of residents registered to vote	N/A	55,505	N/A	57,000
#/% campaign disclosure statements filed by deadline with required information	25 / 98%	45 / 95%	30 / 98%	42 / 95%
# of City Council candidates assisted during the election process	N/A	8	N/A	7
# of programs produced by MVTV	83	85	90	95
# of MVTV bulletin board pages created for businesses/residents	156	90	100	110

*With the proposed update in the retention schedule, approximately 100 additional boxes of records are scheduled to be destroyed due to a category of records that does not need to be retained permanently.



**2015-2017 Budget
City Clerk
Department Summary**

Department Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Administration	72,216	79,018	79,906	82,077	2.7%	85,674	4.4%
Cable Television	223,263	321,402	405,967	910,782	124.3%	388,481	-57.3%
Council Support	61,426	66,037	68,684	68,602	-0.1%	70,914	3.4%
Elections	93,765	45,856	104,473	47,655	-54.4%	103,210	116.6%
Public Information	248,677	247,769	363,924	314,254	-13.6%	319,698	1.7%
Records Management	102,678	86,829	84,104	89,058	5.9%	90,961	2.1%
Total Department Budget	802,025	846,911	1,107,058	1,512,428	36.6%	1,058,938	-30.0%

Department Expenditures by Category

Salaries & wages	305,319	317,331	386,066	405,841	5.1%	416,469	2.6%
Benefits	101,643	130,369	139,812	140,407	0.4%	146,814	4.6%
Professional/Technical Contractual Svcs	136,824	163,719	189,450	163,550	-13.7%	162,550	-0.6%
Maintenance/Repair Contractual Svcs	900	-	8,000	6,000	-25.0%	6,000	0.0%
Supplies	1,937	2,052	11,800	5,275	-55.3%	4,525	-14.2%
Insurance	131	33	500	40	-92.0%	110	175.0%
Utilities	-	-	360	-	-100.0%	-	0.0%
Dues/Memberships/Subscriptions	2,472	4,034	4,295	5,190	20.8%	5,250	1.2%
Travel/Training/Meetings	2,524	1,630	4,270	4,275	0.1%	3,720	-13.0%
Other services/fees	216,115	140,655	200,005	106,850	-46.6%	163,500	53.0%
Depreciation	23,616	24,869	12,500	25,000	100.0%	25,000	0.0%
Capital outlay	10,544	62,219	150,000	650,000	333.3%	125,000	-80.8%
Total Department Budget	802,025	846,911	1,107,058	1,512,428	36.6%	1,058,938	-30.0%

Funding Source

General Fund	610,449	525,509	701,091	601,646		670,457	
MVTV Fund	155,144	226,849	243,467	235,782		238,481	
MVTV Capital Fund	36,432	94,553	162,500	675,000		150,000	
Total Department Budget	802,025	846,911	1,107,058	1,512,428		1,058,938	

Personnel Summary

	3.00	3.00	4.00	4.00		4.00	
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**2015-2017 Budget
Program Summary
City Clerk-Administration**

Program Description:

The Administration program provides overall direction to staff and maintains the department budget; posts, mails, and publishes public notices and ordinances; advertises for and conducts bid openings; processes documents necessary for contract approval; maintains the Contract Status Database; maintains the City of Mission Viejo Municipal Code; records documents; performs duties related to City commissions; acts as filing officer for the City's Conflict of Interest Code; and coordinates legal documents such as liability claims and subpoenas.

The City Clerk's department also responds to public information requests; provides research services and reference assistance; maintains a computerized legislative history; and acts as the City's Notary Public.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	49,300	51,264	51,940	54,759	5.4%	56,401	3.0%
Benefits	19,058	22,873	21,071	20,828	-1.2%	21,818	4.8%
Professional/Technical Contractual Svcs	2,243	3,327	2,500	3,500	40.0%	3,500	0.0%
Supplies	111	162	800	900	12.5%	900	0.0%
Insurance	131	33	500	40	-92.0%	110	175.0%
Dues/Memberships/Subscriptions	457	543	720	650	-9.7%	700	7.7%
Travel/Training/Meetings	520	472	1,770	1,000	-43.5%	1,845	84.5%
Other services/fees	396	344	605	400	-33.9%	400	0.0%
Total Program Area Budget	72,216	79,018	79,906	82,077	2.7%	85,674	4.4%
Funding Source							
General Fund	72,216	79,018	79,906	82,077		85,674	
Personnel Summary	0.55	0.55	0.55	0.55		0.55	

Significant Changes and Other Notes:

None



**2015-2017 Budget
Program Summary
City Clerk-Cable Television**

Program Description:

The Cable Television program administers the City's cable television franchise agreement with Cox Communications, Inc. (Channels 30 and 39) and coordinates the State franchise agreement with AT&T Communications. This program also has responsibility for managing the professional services agreements for the production, direction, editing and coordination of Mission Viejo Television (MVTV) productions and associated freelance crews which broadcasts 24 hours a day, seven days a week on the government channel.

This program also oversees locally produced programs including the State of the City Address, MVTV News, City Talk, Storytime Theatre, Cultural Arts programs, special events coverage, special feature programs and live broadcasts of each City Council meeting. In addition, it manages the graphic design, message posting, and playback system for MVTV; and, manages the development of specifications, bid documents and contracts for the repair, maintenance, engineering and integration of the audio/visual equipment in the MVTV facility and the Council Chamber.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	31,690	51,936	50,748	56,105	10.6%	57,789	3.0%
Benefits	12,700	27,969	20,359	21,627	6.2%	22,642	4.7%
Professional/Technical Contractual Svcs	114,441	151,808	155,700	147,850	-5.0%	147,850	0.0%
Maintenance/Repair Contractual Svcs	900	-	6,000	6,000	0.0%	6,000	0.0%
Supplies	1,470	865	8,600	2,000	-76.7%	2,000	0.0%
Utilities	-	-	360	-	-100.0%	-	0.0%
Travel/Training/Meetings	815	540	1,200	1,200	0.0%	1,200	0.0%
Other services/fees	27,087	1,196	500	1,000	100.0%	1,000	0.0%
Depreciation	23,616	24,869	12,500	25,000	100.0%	25,000	0.0%
Capital outlay	10,544	62,219	150,000	650,000	333.3%	125,000	-80.8%
Total Program Area Budget	223,263	321,402	405,967	910,782	124.3%	388,481	-57.3%

Funding Source

General Fund	31,687	-	-	-	-	-
MVTV Fund	155,144	226,849	243,467	235,782		238,481
MVTV Capital Fund	36,432	94,553	162,500	675,000		150,000
Total Program Area Budget	223,263	321,402	405,967	910,782		388,481

Personnel Summary

Personnel Summary	0.40	0.60	0.60	0.60		0.60
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Significant Changes and Other Notes:

The MVTV fund is funded with a portion of Cox Communications total taxable revenue and Public/Education/Government (PEG) special fees.

Professional/Technical Contractual Services includes all MVTV production services for all programming.

Other services/fees in FY 2012/13 included temporary help used for productions contracted directly by the City. This help is now obtained directly by the City's professional and technical contractors.

Capital outlay for FY 15/16 includes upgrade of MVTV studio, replacement of Council Chambers display screen and projector and upgrade of Council Chambers voting system and equipment.



**2015-2017 Budget
Program Summary
City Clerk-Council Support**

Program Description:

The City Clerk's office also provides support to the City Council. This support includes providing legal notification of meetings and hearings; managing the agenda process and attending all meetings of the City Council, Community Development Financing Authority (CDFA) Library Board of Trustees (LBT), Housing Authority (HA) and Successor Agency (SA). Additional support tasks include providing notice of agenda items; recording, communicating and maintaining the official record of Council legislative actions; and preparing and coordinating various City Council ceremonial items.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	43,183	45,064	45,481	48,070	5.7%	49,512	3.0%
Benefits	16,406	19,201	18,253	17,982	-1.5%	18,852	4.8%
Supplies	172	208	1,300	550	-57.7%	550	0.0%
Travel/Training/Meetings	-	-	50	-	-100.0%	-	0.0%
Other services/fees	1,665	1,564	3,600	2,000	-44.4%	2,000	0.0%
Total Program Area Budget	61,426	66,037	68,684	68,602	-0.1%	70,914	3.4%

Funding Source

General Fund	61,426	66,037	68,684	68,602		70,914	
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Personnel Summary	0.45	0.45	0.45	0.45		0.45	
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Significant Changes and Other Notes:

Other services/fees includes advertising for public notices and posting of council agendas.



**2015-2017 Budget
Program Summary
City Clerk-Elections**

Program Description:

The Elections program administers campaign provisions of the Political Reform Act, as well as manages Federal, State, and local procedures through which local government representatives are selected. This program also assists candidates in meeting their legal responsibilities before, during, and after an election. The City Clerk also acts as the Filing Officer for the Fair Political Practices Commission (FPPC) which regulates the filing of Campaign Disclosure Statements and committee and officeholder Economic Interest Statements.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	30,318	31,497	32,121	33,395	4.0%	34,396	3.0%
Benefits	11,463	13,378	13,352	12,860	-3.7%	13,464	4.7%
Maintenance/Repair Contractual Svcs	-	-	2,000	-	-100.0%	-	100.0%
Supplies	-	238	700	400	-42.9%	250	-37.5%
Dues/Memberships/Subscriptions	-	143	150	100	-33.3%	100	0.0%
Travel/Training/Meetings	1,144	600	1,150	900	-21.7%	-	-100.0%
Other services/fees	50,840	-	55,000	-	-100.0%	55,000	100.0%
Total Program Area Budget	93,765	45,856	104,473	47,655	-54.4%	103,210	116.6%
Funding Source							
General Fund	93,765	45,856	104,473	47,655		103,210	
Personnel Summary	0.35	0.35	0.35	0.35		0.35	

Significant Changes and Other Notes:

Other services/fees includes general municipal election costs which are held in even numbered years.



**2015-2017 Budget
Program Summary
City Clerk-Public Information**

Program Description:

The Public Information program coordinates and implements the public information and community relations program for the City. This program prepares, reviews and approves news releases and other materials for distribution to the media as well as schedules press conferences and informational meetings with members of the press as needed. This program also oversees various print and electronic media in order to communicate news about the City of Mission Viejo. For example, Public Information produces and distributes a bi-annual newsletter, a quarterly recreation and community services brochure, and an annual report to Mission Viejo residents and businesses. This program also prepares and posts blog articles, eNews articles, news releases and timely updates to the City's web page; coordinates and provides marketing for city-sponsored special events; and develops Public Service Announcements (PSAs) for citywide events.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	77,536	81,269	148,176	153,363	3.5%	156,416	2.0%
Benefits	13,074	17,225	42,198	42,866	1.6%	44,707	4.3%
Professional/Technical Contractual Srvs	20,140	8,150	30,150	10,000	-66.8%	10,000	0.0%
Supplies	-	479	-	1,175	100.0%	575	-51.1%
Dues/Memberships/Subscriptions	1,800	3,118	3,200	4,200	31.3%	4,200	0.0%
Travel/Training/Meetings	-	-	-	1,000	100.0%	500	-50.0%
Other services/fees	136,127	137,528	140,200	101,650	-27.5%	103,300	1.6%
Total Program Area Budget	248,677	247,769	363,924	314,254	-13.6%	319,698	1.7%
Funding Source							
General Fund	248,677	247,769	363,924	314,254		319,698	
Personnel Summary	0.30	0.30	1.30	1.30		1.30	

Significant Changes and Other Notes:

The decrease in Professional/Technical Contractual Services is due to a decrease in consulting services for graphic design services in the production of the City Outlook and Leisure Time publications.
Other services/fees include outside printing for the Annual Report, Leisure Time and City Outlook publications.



**2015-2017 Budget
Program Summary
City Clerk-Records Management**

Program Description:

Records Management preserves and protects public records by coordinating a citywide records management program that is based on routine purging, imaging and transfer of department files to inactive storage. This program scans and catalogs records requiring permanent storage, including the semi-annual processing of the City's vital records. This program has responsibility for conducting an annual citywide purge of inactive records; provides City staff with guidelines and training for records retention and disposition; and manages the document imaging system.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	73,292	56,301	57,600	60,149	4.4%	61,953	3.0%
Benefits	28,942	29,723	24,579	24,244	-1.4%	25,332	4.5%
Professional/Technical Contractual Srvs	-	434	1,100	2,200	100.0%	1,200	-45.5%
Supplies	184	100	400	250	-37.5%	250	0.0%
Dues/Memberships/Subscriptions	215	230	225	240	6.7%	250	4.2%
Travel/Training/Meetings	45	18	100	175	75.0%	175	0.0%
Other services/fees	-	23	100	1,800	1700.0%	1,800	0.0%
Total Program Area Budget	102,678	86,829	84,104	89,058	5.9%	90,961	2.1%
Funding Source							
General Fund	102,678	86,829	84,104	89,058		90,961	
Personnel Summary	0.95	0.75	0.75	0.75		0.75	

Significant Changes and Other Notes:

Other services/fees includes software license for a social media archiver application for 15/16 and 16/17.



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**2015-2017 Budget
Program Summary
City Attorney-Legal Services**

Program Description:

The City Attorney's Office provides legal advice to the City Council, City Manager and other City Departments as needed. The City Attorney's Office is responsible for the preparation of ordinances, contracts and other legal documents and represents the City in litigation.

Legal services are provided under contract by the law firm, Lozano Smith.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Professional/Technical Contractual Svcs	310,003	354,026	335,000	384,000	14.6%	384,000	0.0%
Other services/fees	-	25	-	-	0.0%	-	0.0%
Total Program Area Budget	310,003	354,051	335,000	384,000	14.6%	384,000	0.0%
Funding Source							
General Fund	310,003	354,051	335,000	384,000		384,000	
Personnel Summary							
	-	-	-	-		-	

Significant Changes and Other Notes:

Legal fees are increasing based on increased billing hours. The City Attorney hourly rate has not changed.



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**2015-2017 Budget
Program Area Summary
General Government - Management and Support
Expenditures, All Funds: FY 2012/13 - FY 2016/17**

The General Government - Management and Support Program Area includes the operations of thirteen different programs under the City Manager, Administrative Services, Information Technology and Public Works departments.

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
City Manager Department							
City Manager Administration	497,980	466,742	458,415	463,863	1.2%	471,892	1.7%
Administrative Services Dept							
Administrative Serv Administration	321,196	320,918	377,336	427,899	13.4%	444,321	3.8%
Accounting and Payroll	537,819	556,494	608,924	576,745	-5.3%	565,920	-1.9%
Financial Planning and Budget	51,411	53,894	66,952	59,522	-11.1%	71,133	19.5%
Purchasing	42,932	44,607	47,479	48,307	1.7%	49,967	3.4%
Human Resources	223,500	252,396	297,169	287,446	-3.3%	280,025	-2.6%
Treasury	419,711	449,620	488,401	521,189	6.7%	489,840	-6.0%
Risk Management	94,429	103,056	116,925	118,350	1.2%	122,308	3.3%
Interdepartmental	2,222,919	1,965,929	4,119,853	1,870,097	-54.6%	1,648,449	-11.9%
Debt Service	1,305,294	1,365,501	1,365,840	1,360,650	-0.4%	1,370,700	0.7%
OCTA Fund Exchange	1,981,452	-	-	-	0.0%	-	0.0%
Total Administrative Services	7,200,663	5,112,415	7,488,879	5,270,206	-29.6%	5,042,664	-4.3%
Information Technology Deptmt							
Information Technology	1,976,526	2,508,334	3,978,104	3,229,983	-18.8%	2,587,825	-19.9%
Public Works Department							
Integrated Waste Management	116,524	109,594	191,212	150,805	-21.1%	149,363	-1.0%
Total General Govt - Mgmt & Suppt	9,791,693	8,197,085	12,116,610	9,114,857	-24.8%	8,251,744	-9.5%



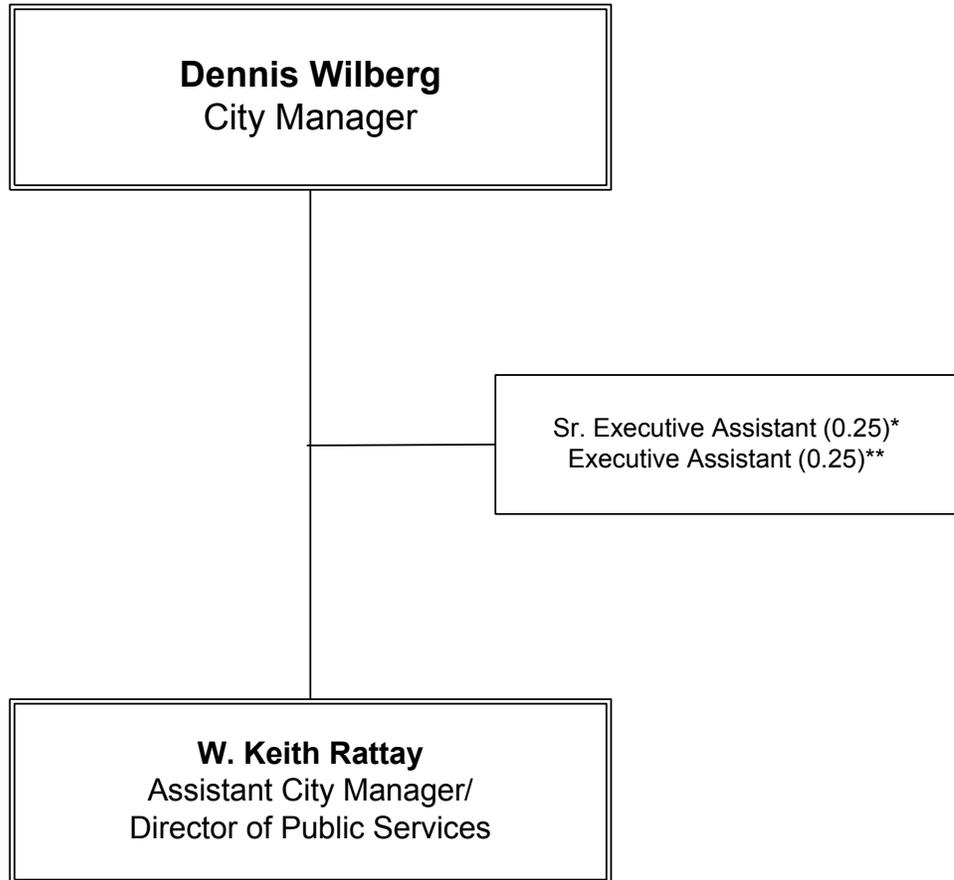
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CITY OF MISSION VIEJO
2015-17 Department Organizational Chart



CITY MANAGER



Department Description:

The City of Mission Viejo operates under a Council-Manager form of government where the City Council is the legislative policy making body and the City Manager serves as the administrative head of government. The City Manager appoints and directs all employees of the City, except for the City Attorney, who is appointed by the City Council. The City Manager provides leadership to City staff and promotes the effective and efficient delivery of municipal services through prudent management of City operations, legislative affairs, negotiation of agreements, and administration of contracts.

The City Manager also advises the City Council on policy matters, the adoption of measures and ordinances, and on fiscal matters; provides staff support for the Mayor and City Council as the City's representative on regional boards, committees, planning and transportation, and joint power authorities. This department also provides a leadership role in the Mission Viejo Community Foundation and the Marine Adoption Committee.

**The remaining 0.75 FTE for this position is in the City Council Department (0.5), Police Services (0.05), and Public Services(0.20).*

***The remaining 0.75 FTE for this position is in the City Council Department (0.25) and Public Services (0.50).*



CITY OF MISSION VIEJO
2015-17 Department Objectives
City Manager



Strategic Goal(s)



Upon completion of the Economic Development Strategic Plan, provide guidance to staff on strategies to implement recommendations identified in the Plan and foster economic vitality and land use revitalization within the various business hubs in the City in support of City Council priorities.



Monitor the unfunded liabilities of the city and provide guidance to staff in efforts to completely eliminate the unfunded liability of the retiree healthcare plan by June 30, 2016; and achieve an 85% funded status on the pension plan by June 30, 2017 in support of City Council priorities.



Facilitate the rehabilitation of two park playgrounds based on City Council approved scope of work in support of City Council priorities.



Facilitate the construction of two new park restroom facilities based on City Council approved scope of work in support of City Council priorities.



Facilitate the rehabilitation of the Marguerite Aquatics Complex based on City Council approved scope of work; and develop a funding plan in coordination with the Nadadores Foundation in support of City Council priorities.



Conduct a review of Recreation and Library Department staffing for the purpose of facilitating decisions on improving the organizational structure of these two departments.



Provide advice and direction to the City Council as needed on policy issues, budget matters, legislative matters, community relations and public affairs in all areas of city operations.



Serve as the City's representative on South Orange County City Manager's Committee, reviewing both the police services delivery model and the Orange County Fire Authority (OCFA) organization and deliver of fire services.



CITY OF MISSION VIEJO
2013-15 Department Accomplishments
City Manager



- Provided leadership to the organization by mentoring Executive staff; motivating staff to provide the highest level of services to residents and the business community; encourage staff to be creative; facilitate the coordination of departments in the execution of programs and services; and facilitate the execution of established objectives citywide.
- Due to an improving economy and prudent budget management, the City made an additional payment of \$2.1 million to pay down the retiree healthcare plan unfunded liability. This special payment along with the planned FY15/16 annual required contribution, the unfunded liability for this plan is expected to be paid off by June 30, 2016.
- Made a special payment of \$1.5 million to pay down the pension plan unfunded liability. This payment was feasible through the sale of city owned Site C to the Mission Viejo Housing Authority and the receipt of initial proceeds of \$2.6 million dollars from sale. This pre-payment is expected to achieve the City Council establish goal of an 80% funded status by June 30, 2016 and an 85% funded status by June 30, 2017 for the pension plan.
- Completed several major capital improvement projects that enhanced existing facilities and improved traffic infrastructure; including, widening Oso Parkway to increase the number of lanes from six to eight between Interstate 5 and Country Club Drive; the renovation of Pavion Park, which updated the park to current Universal Design standards and increased accessibility to persons of all age and ability; the addition of a playground at the Sierra Recreation Center; the expansion of the Animal Services Cattery, which increases capacity to better serve the needs of the City, as well as the cities of Laguna Niguel and Aliso Viejo; and the completion of new locker room facilities at the Montanoso Recreation Center.
- Completed a four month negotiation for a new Orange County Sheriff's Department (OCSD) contract that held cost increases to an acceptable level and achieved additional savings of \$115,000 by sharing OCSD personnel with the City of Laguna Niguel to address regional public safety needs.
- Reduced authorized positions by 2.25 full-time equivalents (FTE) to achieve the City Council approved FTE staffing goal of 137.275.
- Continued to provide advice on legislative matters including SB355, relating to Orange County representation on the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy; and AB1217, on the issue of altering the membership of the OCFA.



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**2015-2017 Budget
Program Summary
City Manager-Administration**

Program Description:

Specifically, the Administration program provides information necessary for the City Council to establish priorities and make well-informed decisions on policy matters. In addition, this program provides staff support for ad hoc or advisory committees formed by the City Council on an as-needed basis. In general, the Administration program supports and directs all departments, enabling them to carry out day-to-day operations, services and planning efforts. In addition, this program negotiates, administers, implements, and approves contracts for the provision of municipal services, and oversees the service request system which tracks the status of requests from residents and businesses.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	260,994	256,577	261,185	267,350	2.4%	275,370	3.0%
Benefits	126,101	102,984	87,613	89,519	2.2%	94,528	5.6%
Professional/Technical Contractual Svcs	91,000	93,723	98,787	95,000	-3.8%	90,000	-5.3%
Supplies	1,162	4,026	1,700	1,860	9.4%	1,860	0.0%
Dues/Memberships/Subscriptions	7,727	2,702	2,700	2,649	-1.9%	2,649	0.0%
Travel/Training/Meetings	6,339	5,566	3,800	5,925	55.9%	5,925	0.0%
Other services/fees	4,557	1,164	2,630	1,560	-40.7%	1,560	0.0%
Contributions to agencies/organizations	100	-	-	-	0.0%	-	0.0%
Total Program Budget	497,980	466,742	458,415	463,863	1.2%	471,892	1.7%
Funding Source							
General Fund	497,980	466,742	446,917	451,585		459,163	
Successor Agency	-	-	11,498	12,278		12,729	
Total Program Budget	497,980	466,742	458,415	463,863		471,892	
Personnel Summary							
	2.10	1.710	1.625	1.50		1.50	

Significant Changes and Other Notes:

Professional/Technical Contractual Services includes contracts with GSL & Associates for regional planning issues and Townsend Public Affairs for legislative advocacy services.
Actual salaries and wages and benefits allocated to the Successor Agency are excluded from FY 2012/13 and 2013/14 amounts.



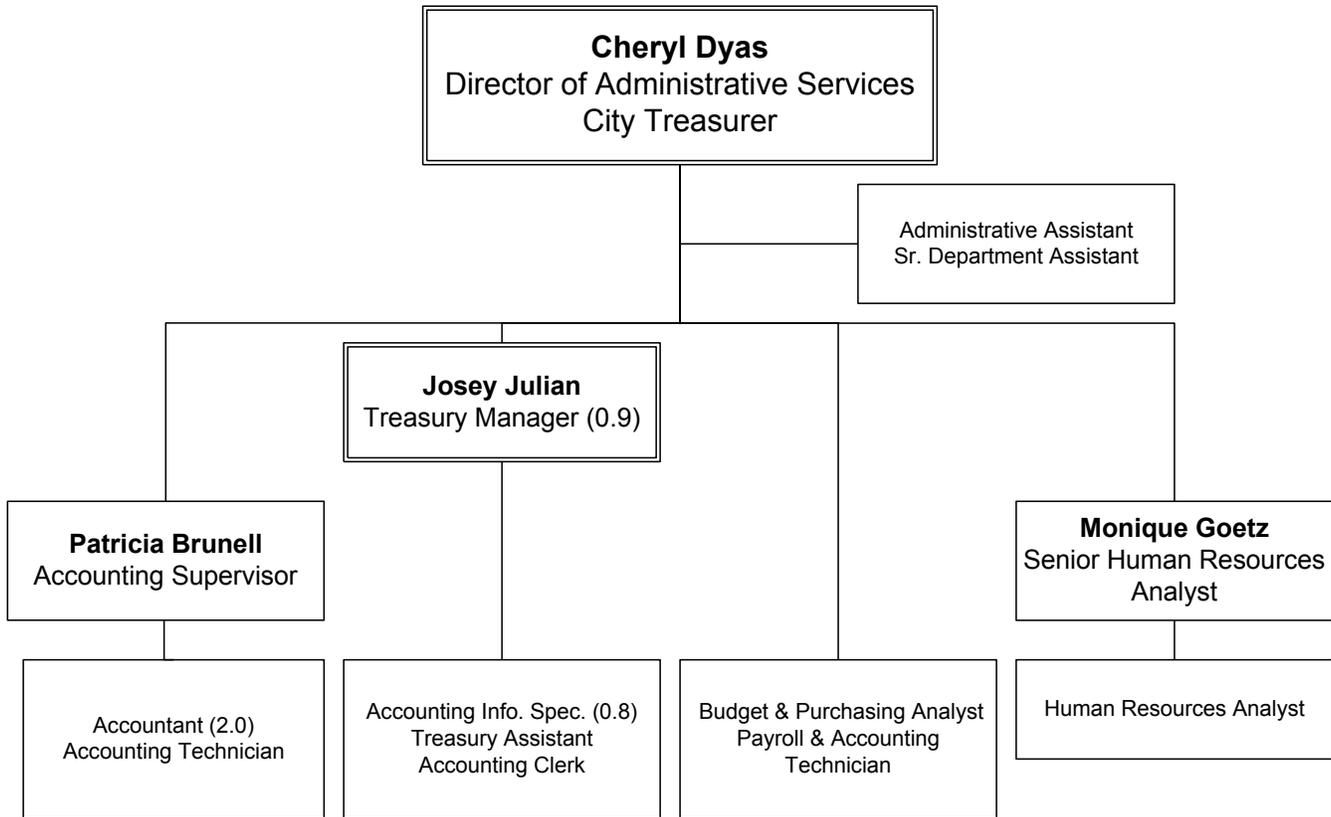
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CITY OF MISSION VIEJO
2015-17 Department Organizational Chart



ADMINISTRATIVE SERVICES DEPARTMENT



Department Description:

The Administrative Services Department manages all of the financial, human resources and risk management affairs of the City. The overall goal of the financial management function is to preserve and promote the long-range fiscal health of the City. Financial management responsibilities include: developing financial policies and monitoring compliance; coordinating the long-range financial planning and two-year budget efforts of the City; monitoring revenues; billing, collecting, investing and disbursing all funds; accounting, financial reporting and serving as liaison to the City's external auditors; overseeing the City's de-centralized purchasing activities; coordinating the issuance of debt and managing outstanding debt; processing animal licenses; overseeing the financial information software (IFAS and Tyler Munis) with assistance from the Information Technology Department; providing financial services to the Community Development Financing Authority (CDFA), Housing Authority, and the Successor Agency; and providing staff support to the City's Investment Advisory Commission (IAC).

In the area of human resources, the department's goal is to provide effective and efficient human resource services to the organization, including recruitment, classification and compensation, benefit administration, training, and employee relations. The goal of risk management is to protect the City's physical and human assets through proper risk identification and avoidance, employee training, and risk-sharing mechanisms.



CITY OF MISSION VIEJO
2015-17 Department Objectives
Administrative Services



Strategic Goal(s)



Prepare a comprehensive fee study of all City fees to determine that: fees are appropriately set for residents participating in City programs and services; fees for businesses are set to encourage renovation and revitalization of the community as well as facilitating a business-friendly environment to attract new businesses to the community, including the identification of potential fee waiver programs.



Continue to monitor the City's unfunded liabilities for the pension and retiree health plan and make recommendations as needed to achieve the City Council directed goal to reduce unfunded liabilities and obtain a retiree health plan funded status of 100% and a pension funded status of 85%.



Develop a pension plan funding policy for consideration by the City Council to maintain a pension funded status of 85% in efforts to protect and prudently manage the financial resources of the City.



Implement GASB Statement 68 – Accounting and Financial Reporting for Pensions for the fiscal year ended June 30, 2015 to responsibly record unfunded liabilities in the City's financial statements in accordance with generally accepted accounting principles.



In coordination with the Information Technology Department (IT), continue implementation of the Tyler Munis Enterprise Resource Planning software system to further enable and enhance transparency, accountability, integrity, efficiency and innovation in all operational areas.



Complete special audit agreed upon procedures for calendar year 2014 and 2015 as selected by the Mayor and Mayor Pro Tem to enhance transparency, accountability and integrity in all operational areas with the goal of achieving 100% compliance with city policies and procedures.



Update the City's 2011 cost allocation plan to properly identify the total cost of providing specific City services; allowing the City to protect financial resources by fully recovering costs. Complete and up-to-date cost information is necessary for costing shared services; allocating indirect cost rates to grants (indirect costs can only be allocated to federal grants with a cost allocation plan in place); and the allocation of costs to the City's Animal Services and MVTV Enterprise Funds.



Provide staff assistance and feedback to IT during the City's website redesign process to ensure that the website best serves the needs of citizens and other stakeholders while enhancing government transparency, citizen involvement, engagement and participation.



CITY OF MISSION VIEJO
2013-15 Department Accomplishments
Administrative Services



- To implement the second priority of the City Council, processed a \$2.1 million payment to the Retiree Insurance Program to eliminate this benefit programs unfunded liability by June 30, 2016 and processed a \$1.5 million payment to the California Public Employees Retirement System (CalPERS) to reduce that programs unfunded liability and achieve an 85% funded status by June 30, 2017.
- Conducted a day-long pre-budget discussion workshop with the City Council in January 2015 to discuss programs, capital improvement projects, unfunded liabilities, reserves and set priorities for the development of the 2015-17 budget.
- Conducted additional Agreed Upon Audit Procedures (AUP) of various department functions including employee compensation, investments, wire transfers, journal entries, budget adjustments, bank reconciliations, check stock sequence and cancelled checks, cash receipts, animal license billing, purchase order process, review of receipt of goods and materials, and Calcard procedures and purchases in efforts to proactively protect the financial resources of the City and support transparency and accountability in city operations. In addition, conducted one transient occupancy tax compliance audit in an effort to protect revenue resources of the City. Under the AUP audits, there were a total of twenty-two procedures performed, testing approximately 7,100 different transactions with only 19 exceptions to procedures or documentation noted, representing 99.7% compliance with city policies and procedures.
- Completed the actuarial valuation on Other Post-Employment Benefits (OPEB) for June 30, 2013 to: support transparency and accuracy of required information in city financial statements; to calculate annual required contributions to support budget preparation; and to assist with prudent management of financial resources.
- In coordination with the IT department, successfully completed phase one implementation of a new Enterprise Resource Planning software system (including General Ledger, Cash Receipts, Accounts Payable, Purchasing, Budget and Capital Assets), which enabled and enhanced financial efficiency, accountability, and transparency. Tyler Munis system went live on October 1, 2014.
- Implemented the section of the Patient Protection and Affordable Care Act of 2010 requiring disclosure to employees of the cost of their employer-sponsored group health plan coverage on their IRS form W-2 in accordance with federal law.
- Implemented GASB Statement #63 Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Positions for the fiscal year ended June 30, 2013 in accordance with governmental accounting standards to improve financial reporting on city financial statements.
- Completed the transition of banking services to US Bank in accordance with City Council policy and to exercise prudent procurement practices by reevaluating banking services on a periodic basis.
- Collaborated with the City Attorney's Office to offer customized Harassment & Abusive Conduct Awareness and Prevention training and Ethics & Whistleblowing Policies and Procedures training in accordance with State law and city policies and to proactively educate employees on these polices and to develop high-quality employees.
- Developed and adopted four new Personnel Policies: Patient Protection & Affordable Care Act; Paid Sick Leave; Whistleblower Policies and Procedures; and CalPERS Special Compensation Policies to comply with State and Federal laws and to provide guidance and support to employees implementing these policies at the City.
- Created and implemented the Mission Viejo Supervisory & Management Training Academy consisting of one elective and six mandatory customized courses with over forty employees completing the academy to proactively motivate and develop a high-quality workforce at the City.
- In the areas of benefits: implemented a new FSA (flexible spending account) third party administrator that provided more options to employees, including allowing up to \$500 in roll-over FSA funds; amended the deferred compensation plans to allow ROTH IRA and professional investment advice options; added two new



CITY OF MISSION VIEJO
2013-15 Department Accomplishments
Administrative Services

AFLAC voluntary plans. These changes were made at no cost to the City and provided additional benefit options that motivate and retain high quality employees. In addition, continuing with prudent management of financial resources, eliminated the CalPERS Employer Paid Member Contributions for all employees in June 2015, saving the City an additional \$100,000 per year.

- Completed the first annual Housing Successor Annual Report regarding the Low and Moderate Income Housing Asset Fund to comply with state law.



CITY OF MISSION VIEJO
2015-17 Department Performance Measures
Administrative Services



Performance measures are designed to determine accountability, improve service quality, allocate resources and evaluate departmental performance in meeting Mission Viejo's goals and objectives.

Measure	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Projected
% of FTE turnover excluding retirements	2.73%	4.01%	3%	3%
#/% of recruitments resulting in a hiring	12/86%	20/83%	38/95%	38/95%
Average # of days from close of recruitment to conditional offer of employment	29	26	30	30
Average service time (in years) for FTE employees	10.51	10.92	11.40	11.80
# of accounts payable checks/EFT's generated	6,825	6,751	6,600	6,600
# of audits/reviews conducted	3	1	2	3
# of additional agreed upon procedure audits performed	1	2	5	5
# of calendar days following year-end until CAFR issued	229*	164	149	138
% of payroll checks/EFT's generated	5,670	5,553	5,550	5,550
#/% of investments made in compliance with Investment Policy	10/100%	2/100%	12/100%	12/100%
Twelve month total rate of return/City portfolio	0.74%	0.67%	0.90%	1.10%
Average duration of City portfolio	1.06	1.19	1.18	1.17
Basis point (BP) spread between portfolio return and benchmark	24	21	15	15
# of active dog licenses	24,500	24,600	24,700	24,800
% population with dog licenses	11%	11.5%	11.6%	11.7%
Total cost of risk (insurance premiums, claim costs, program administration) in millions	\$1.3	\$1.0	\$0.70	\$1.05
Total cost of risk as % of operating budget	2.6%	1.8%	0.06%	1.3%
# of liability claims filed	15	15	18	18
# of Workers' Compensation claims filed	2	2	2	2
# of calendar days missed from work due to work-related injuries	0	29	14	14
Net direct debt per capita	158.55	151.83	144.81	136.69
Net direct debt per assessed valuation (i.e., net debt burden)	0.11%	0.10%	0.09%	0.09%
Debt service on General Fund obligations as a percent of General Fund revenues (i.e., net lease burden)	2.57%	2.63%	2.46%	2.46%

* Audit was delaying due to implementation of new financial software on October 1, 2014.



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**2015-2017 Budget
Administrative Services
Department Summary**

<i>Department Summary</i>	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Administration	321,196	320,918	377,336	427,899	13.4%	444,321	3.8%
Accounting & Payroll	537,819	556,494	608,924	576,745	-5.3%	565,920	-1.9%
Financial Planning & Budget	51,411	53,894	66,952	59,522	-11.1%	71,133	19.5%
Purchasing	42,932	44,607	47,479	48,307	1.7%	49,967	3.4%
Human Resources	223,500	252,396	297,169	287,446	-3.3%	280,025	-2.6%
Treasury	419,711	449,620	488,401	521,189	6.7%	489,840	-6.0%
Risk Management	94,429	103,056	116,925	118,350	1.2%	122,308	3.3%
Interdepartmental	2,222,919	1,965,929	4,119,853	1,870,097	-54.6%	1,648,449	-11.9%
Debt Services	1,305,294	1,365,501	1,365,840	1,360,650	-0.4%	1,370,700	0.7%
OCTA Gas Tax Exchange	1,981,452	-	-	-	0.0%	-	0.0%
Total Department Budget	7,200,663	5,112,415	7,488,879	5,270,205	-29.6%	5,042,663	-4.3%
Department Expenditures by Category							
Salaries & wages	1,032,721	1,050,318	1,160,693	1,200,623	3.4%	1,233,912	2.8%
Benefits	1,200,714	1,239,414	3,432,497	1,336,396	-61.1%	1,093,317	-18.2%
Professional/Technical Contractual Svcs	216,684	215,024	245,081	282,675	15.3%	204,985	-27.5%
Maintenance/Repair Contractual Svcs	38,375	44,287	45,660	39,512	-13.5%	44,763	13.3%
Supplies	27,930	26,882	29,185	30,170	3.4%	32,670	8.3%
Insurance	1,071,504	821,647	740,828	585,612	-21.0%	654,612	11.8%
Rents	414	829	880	880	0.0%	880	0.0%
Dues/Memberships/Subscriptions	76,993	77,780	79,745	78,579	-1.5%	79,059	0.6%
Travel/Training/Meetings	11,289	32,278	73,230	44,528	-39.2%	45,135	1.4%
Other services/fees	244,045	245,070	324,080	286,230	-11.7%	290,330	1.4%
Contributions to agencies/organizations	1,981,452	-	-	-	0.0%	-	0.0%
Debt Service	1,298,542	1,358,886	1,357,000	1,355,000	-0.1%	1,363,000	0.6%
Capital outlay	-	-	-	30,000	100.0%	-	-100.0%
Total Department Budget	7,200,663	5,112,415	7,488,879	5,270,205	-29.6%	5,042,663	-4.3%
Funding Source							
General Fund	7,094,361	5,000,210	7,326,234	5,053,963		4,820,507	
CEFV Replacement Fund	-	-	-	-		-	
Gas Tax Fund	-	-	2,000	1,913		1,979	
AQMD	1,831	1,930	1,984	2,070		2,075	
CDBG	9,272	2,704	15,400	16,883		17,476	
Successor Agency	-	-	33,646	67,642		70,130	
Animal Services	95,199	107,571	109,615	127,734		130,496	
Total Department Budget	7,200,663	5,112,415	7,488,879	5,270,205		5,042,663	
Personnel Summary	14.420	14.545	14.545	14.670		14.670	



**2015-2017 Budget
Program Summary
Administrative Services-Administration**

Program Description:

The Administration program develops and implements department policies; advises the City Manager, Investment Advisory Commission (IAC) and City Council on financial matters; provides leadership, coordination and support to the department staff; and represents the City in professional organizations involved in local government finance, such as the League of California Cities and the California Society of Municipal Finance Officers (CSMFO).

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	230,428	224,746	274,180	314,992	14.9%	323,669	2.8%
Benefits	82,326	88,915	93,591	103,404	10.5%	109,087	5.5%
Maintenance/Repair Contractual Svcs	-	114	125	125	0.0%	125	0.0%
Supplies	1,750	687	1,350	1,700	25.9%	1,700	0.0%
Dues/Memberships/Subscriptions	1,696	2,093	1,990	1,940	-2.5%	1,940	0.0%
Travel/Training/Meetings	1,616	833	2,700	2,238	-17.1%	4,300	92.1%
Other services/fees	3,380	3,530	3,400	3,500	2.9%	3,500	0.0%
Total Program Budget	321,196	320,918	377,336	427,899	13.4%	444,321	3.8%
Funding Source							
General Fund	321,196	320,918	343,690	360,256		374,191	
Successor Agency	-	-	33,646	67,643		70,130	
Total Program Budget	321,196	320,918	377,336	427,899		444,321	
Personnel Summary	2.82	2.82	2.82	3.03		3.03	

Significant Changes and Other Notes:

Actual salaries and wages and benefits allocated to the Successor Agency are excluded from FY 2012/13 and 2013/14 amounts. Direct salaries and wages and benefits allocated to the Successor Agency by Treasury staff are reported in Administration for both FY 15/16 and 16/17.



**2015-2017 Budget
Program Summary
Administrative Services-Accounting & Payroll**

Program Description:

The Accounting and Payroll program operates a governmental accounting, reporting and records maintenance system that provides financial information to both external users and internal management. This program controls and monitors the receipt and disbursement of public funds in compliance with statutory requirements and professional accounting standards. This program also has the responsibility for coordinating all external auditing functions including the annual financial audit and audits by all outside agencies, which includes financial reporting leading to the production of the City's Comprehensive Annual Financial Report (CAFR). Accounting and Payroll is responsible for the continuing development of financial accounting software and implementation of new technology to increase efficiency in accounting processes and to improve both internal and external reporting. This program also oversees the implementation of any new accounting pronouncements by the Governmental Accounting Standards Board (GASB). The payroll function of this program processes payroll for all City employees including interfacing with the City's payroll service provider (Automated Data Processing) and assuring compliance with all regulatory requirements, laws and City policies pertaining to payroll.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16 Adopted	% Change	FY 2016/17 Adopted	% Change
	Actual	Actual	Amended Budget		from Prior Year		from Prior Year
Salaries & wages	319,354	332,834	342,377	348,286	1.7%	356,776	2.4%
Benefits	123,147	140,205	143,490	137,332	-4.3%	143,602	4.6%
Professional/Technical Contractual Svcs	88,787	78,215	105,322	79,315	-24.7%	52,985	-33.2%
Maintenance/Repair Contractual Svcs	377	380	385	388	0.8%	2,388	515.5%
Supplies	457	690	315	395	25.4%	595	50.6%
Dues/Memberships/Subscriptions	1,627	1,527	1,770	2,239	26.5%	2,239	0.0%
Travel/Training/Meetings	1,716	1,130	3,555	5,485	54.3%	4,030	-26.5%
Other services/fees	2,354	1,513	11,710	3,305	-71.8%	3,305	0.0%
Capital outlay	-	-	-	-	100.0%	-	#DIV/0!
Total Program Budget	537,819	556,494	608,924	576,745	-5.3%	565,920	-1.9%
Funding Source							
General Fund	528,554	552,798	591,795	558,303		546,896	
Gas Tax 2107.5 Fund	-	-	2,000	1,913		1,982	
AQMD	1,831	1,930	1,984	2,070		2,075	
CDBG	7,434	1,766	13,145	14,459		14,967	
Total Program Budget	537,819	556,494	608,924	576,745		565,920	
Personnel Summary	5.10	5.10	5.10	5.10		5.10	

Significant Changes and Other Notes:

Professional/Technical Contractual Services includes independent audit contract, bank fees and payroll processing services.

Decreases in FY 15/16 and 16/17 are due to the transition of payroll processing entirely in house beginning on January 1, 2016.

Increase in Maintenance/Repair Contractual Services is for timeclock maintenance costs.

Capital Outlay in FY 15/16 is for the purchase of four timeclocks for integration with payroll software system.



**2015-2017 Budget
Program Summary
Administrative Services-Financial Planning and Budget**

Program Description:

This program manages the biennial budget preparation process, including the production of a proposed and final budget document and its presentation to City Council. In addition, it develops and implements budget policies, provides ongoing financial analyses and control, prepares semi-annual budget adjustments reports and annual preliminary and final carryover reports. This program has primary responsibility for updating and maintaining the City's Master Financial Plan (MFP), which is used in budget development. In addition, Financial Planning and Budget monitors reserve levels and makes recommendations for adjustments to reserve accounts, manages the budget modules of the City's financial information software Tyler Munis, and conducts or oversees other special projects, such as progress reports on the City's strategic planning goals, community opinion surveys and budget prioritization work.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	36,798	37,701	38,466	39,777	3.4%	40,970	3.0%
Benefits	12,827	14,394	14,982	14,450	-3.5%	15,168	5.0%
Professional/Technical Contractual Svcs	-	-	11,444	-	-100.0%	9,000	100.0%
Supplies	311	74	-	400	100.0%	1,100	175.0%
Dues/Memberships/Subscriptions	390	390	260	260	0.0%	260	0.0%
Travel/Training/Meetings	592	691	1,500	3,510	134.0%	3,510	0.0%
Other services/fees	493	644	300	1,125	275.0%	1,125	0.0%
Total Program Budget	51,411	53,894	66,952	59,522	-11.1%	71,133	19.5%

Funding Source

General Fund	51,411	53,894	66,952	59,522	71,133
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Personnel Summary

	0.55	0.55	0.55	0.55	0.55
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Significant Changes and Other Notes:

Professional/Technical Contractual Services includes pre-budget discussion workshop facilitator.
Increase in supplies in FY 16/17 is for pre-budget discussion workshop agenda binders and other supplies.



**2015-2017 Budget
Program Summary
Administrative Services-Purchasing**

Program Description:

The Purchasing program administers the procurement of materials, equipment and services, including purchase order management and bidding controls within a decentralized City purchasing system. This program also manages a vendor database, including screening and setup of new vendors; maintains central inventories and supplies and other materials; seeks alternative methods of procurement, such as cooperative purchasing agreements, to improve the economy and effectiveness of materials and supplies acquisition; and recommends, updates and implements purchasing policies and procedures. The Purchasing function provides staff training on general purchasing procedures, supply ordering systems, and the purchasing modules of the City's financial information software Tyler Munis. The disposal of surplus property by sale, trade-in, auction or other means is another responsibility of Purchasing.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	31,830	32,565	33,174	34,504	4.0%	35,540	3.0%
Benefits	10,659	12,042	12,670	12,168	-4.0%	12,792	5.1%
Supplies	91	-	500	500	0.0%	500	0.0%
Dues/Memberships/Subscriptions	-	-	135	135	0.0%	135	0.0%
Travel/Training/Meetings	-	-	500	500	0.0%	500	0.0%
Other services/fees	352	-	500	500	0.0%	500	0.0%
Total Program Budget	42,932	44,607	47,479	48,307	1.7%	49,967	3.4%
Funding Source							
General Fund	42,932	44,607	47,479	48,307		49,967	
Personnel Summary	0.45	0.45	0.45	0.45		0.45	

Significant Changes and Other Notes:

None



**2015-2017 Budget
Program Summary
Administrative Services-Human Resources**

Program Description:

This program serves as the centralized human resource function for the City. The functions provided by this program include managing recruitments for vacant positions, conducting classification and compensation studies, administering the employee benefit program, providing appropriate and required training, and overseeing employee relations.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	114,479	119,419	124,381	124,336	0.0%	128,066	3.0%
Benefits	44,861	49,277	60,563	58,770	-3.0%	61,019	3.8%
Professional/Technical Contractual Svcs	35,495	30,512	20,175	48,430	140.0%	29,430	-39.2%
Maintenance/Repair Contractual Svcs	245	-	150	150	0.0%	150	0.0%
Supplies	2,513	3,403	3,375	2,800	-17.0%	4,400	57.1%
Dues/Memberships/Subscriptions	1,025	2,729	1,850	2,750	48.6%	2,750	0.0%
Travel/Training/Meetings	6,763	27,878	60,775	26,460	-56.5%	26,460	0.0%
Other services/fees	18,119	19,178	25,900	23,750	-8.3%	27,750	16.8%
Total Program Budget	223,500	252,396	297,169	287,446	-3.3%	280,025	-2.6%
Funding Source							
General Fund	223,500	252,396	297,169	287,446		280,025	
Personnel Summary	1.40	1.40	1.40	1.40		1.40	

Significant Changes and Other Notes:

Professional/Technical Contractual Services include a contract for Human Resources Management services, retiree benefit valuation services, staffing analysis services and recruitment related services. The budget for the bi-annual retiree benefit valuation is included in FY 15/16 only.

Travel/Training/Meetings includes citywide training for supervisors and managers. The FY 14/15 amended budget includes an additional \$28,000 appropriation carried over from FY 13/14 to supplement staff training during FY 14/15.

Other services/fees includes advertising costs associated with job recruitment and costs associated with employee recognition.



**2015-2017 Budget
Program Summary
Administrative Services-Treasury**

Program Description:

The Treasury program provides for the collection, custody, cash management and investment of all funds received by the City. In addition, this program provides overall revenue management and debt administration in support of citywide financial management functions. Preparing user fee/cost allocation studies, providing Mission Viejo Housing Authority, Community Development Financing Authority (CDFA) and Successor Agency financial administration, conducting cash handling reviews, administering a centralized accounts receivable function, and administering dog licensing are also responsibilities of the Treasury function. This program also conducts revenue audits of property and sales tax apportionments, transient occupancy tax, and franchise fees, as well as prepares monthly and annual Treasurer's reports, and recommends and implements investment policies and procedures.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	223,458	220,603	259,591	248,741	-4.2%	256,203	3.0%
Benefits	84,418	99,740	104,190	93,238	-10.5%	97,737	4.8%
Professional/Technical Contractual Svcs	83,985	99,459	93,700	143,730	53.4%	100,320	-30.2%
Maintenance/Repair Contractual Svcs	404	1,681	200	2,100	950.0%	2,100	0.0%
Supplies	1,639	220	2,120	1,950	-8.0%	1,950	0.0%
Dues/Memberships/Subscriptions	1,388	453	1,000	955	-4.5%	955	0.0%
Travel/Training/Meetings	602	1,608	2,650	3,785	42.8%	3,785	0.0%
Other services/fees	23,817	25,856	24,950	26,690	7.0%	26,790	0.4%
Total Program Budget	419,711	449,620	488,401	521,189	6.7%	489,840	-6.0%
Funding Source							
General Fund	322,674	341,111	343,786	391,032		356,833	
CDBG	1,838	938	2,255	2,423		2,510	
Successor Agency	-	-	32,745	-		-	
Animal Services	95,199	107,571	109,615	127,734		130,497	
Total Program Budget	419,711	449,620	488,401	521,189		489,840	
Personnel Summary	3.20	3.325	3.325	3.240		3.240	

Significant Changes and Other Notes:

Professional/Technical Contractual Services include contracts with banking institutions, investment management services, parking citation administration, sales tax auditing services and animal licensing mailing services. This category also includes an additional \$35,000 for an update to the City's cost allocation plan and fee study and \$9,000 for the bi-annual treasurer's performance report in FY 15/16.

Other services/fees includes monthly postage for animal license billing invoices and armored transport services.

Actual salaries and wages and benefits allocated to the Successor Agency are excluded from FY 2012/13 and 2013/14 amounts.

Direct salaries and wages and benefits allocated to the Successor Agency are reported in the Administration under this department for FY 15/16 and 16/17.



**2015-2017 Budget
Program Summary
Administrative Services-Risk Management**

Program Description:

The Risk Management program oversees the protection of the City's physical, human and financial assets against accidental losses, through proper exposure identification, risk evaluation and the use of effective risk control techniques. Risk control techniques include risk avoidance and reduction, the transfer of risk to other parties, and risk financing through the purchase of insurance and the setting aside of appropriate reserves. Employee safety training and effective security measures are ways to avoid and reduce risk; while the efficient management of workers compensation and general liability claims helps control the cost of risk.

The City is a member of the California Joint Powers Insurance Authority (CJPIA), which provides insurance programs and risk management services to cities and other agencies throughout the State of California.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	69,300	75,200	81,152	82,320	1.4%	84,790	3.0%
Benefits	23,258	27,454	28,533	27,330	-4.2%	28,818	5.4%
Professional/Technical Contractual Svcs	900	223	4,750	4,700	-1.1%	4,700	0.0%
Supplies	915	41	400	800	100.0%	800	0.0%
Dues/Memberships/Subscriptions	-	-	540	650	20.4%	650	0.0%
Travel/Training/Meetings	-	138	1,550	2,550	64.5%	2,550	0.0%
Other services/fees	56	-	-	-	0.0%	-	0.0%
Total Program Budget	94,429	103,056	116,925	118,350	1.2%	122,308	3.3%
Funding Source							
General Fund	94,429	103,056	116,925	118,350		122,308	
Personnel Summary	0.80	0.80	0.80	0.80		0.80	

Significant Changes and Other Notes:

None



**2015-2017 Budget
Program Summary
Administrative Services-Interdepartmental**

Program Description:

The Interdepartmental budget includes those expenditures not allocable to specific operating departments, such as general office supplies, copier maintenance and operation, insurance, and property tax administrative charges.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	7,074	7,250	7,372	7,668	4.0%	7,898	3.0%
Benefits	819,218	807,387	2,974,478	889,703	-70.1%	625,094	-29.7%
Professional/Technical Contractual Svcs	850	-	850	850	0.0%	850	0.0%
Maintenance/Repair Contractual Svcs	37,349	42,112	44,800	36,749	-18.0%	40,000	8.8%
Supplies	20,254	21,767	21,125	21,625	2.4%	21,625	0.0%
Insurance	1,071,504	821,647	740,828	585,612	-21.0%	654,612	11.8%
Rents	414	829	880	880	0.0%	880	0.0%
Dues/Memberships/Subscriptions	70,867	70,588	72,200	69,650	-3.5%	70,130	0.7%
Other services/fees	195,389	194,349	257,320	227,360	-11.6%	227,360	0.0%
Capital outlay	-	-	-	30,000	100.0%	-	0.0%
Total Program Budget	2,222,919	1,965,929	4,119,853	1,870,097	-54.6%	1,648,449	-11.9%
Funding Source							
General Fund	2,222,919	1,965,929	4,119,853	1,870,097		1,648,449	
Total Program Budget	2,222,919	1,965,929	4,119,853	1,870,097		1,648,449	
Personnel Summary	0.10	0.10	0.10	0.10		0.10	

Significant Changes and Other Notes:

Benefits include the General Fund portion of Retiree Insurance Program (RIP) contribution cost allocated to each fiscal year. The FY 14/15 amended budget includes the \$2.1 million lump sum payment to the RIP plan approved by the Council on March 23, 2015.

Insurance includes the general liability deposit to the California Joint Powers Insurance Authority, as well as insurance premiums for environmental liability, special event insurance, property insurance and employee fidelity insurance.

Dues/Memberships/Subscriptions includes annual membership fees for Local Agency Formation Commission, Orange County Council of Governments, Southern California Association of Governments, League of California Cities and Association of California Cities-Orange County.

Other services/fees includes annual County of Orange property tax administration fees. For FY 2014/15 only, this category also includes a \$30,000 legal settlement payment approved by the City Council.

Capital outlay includes a purchase to replace the City's postage machine.



**2015-2017 Budget
Program Summary
Administrative Services-Debt Service**

Program Description:

The Debt Service budget is used to account for the payment of interest and principal on bonded debt of the City. Prior to FY 2009/10, this budget included just the debt service on the 1996 Mission Viejo Library Certificates of Participation (COP's). Resources of the General Fund were also used to pay the debt service on the Community Development Financing Authority (CDFA) 2001 City Hall/Library Expansion Lease Revenue Bonds. This payment of debt service took the form of a lease payment to the CDFA that was accounted for as an operating transfer. In FY 2009/10, these two bond issues were refunded and replaced with the 2009 Lease Revenue Refunding Bonds, the debt service for which is now accounted for in this program.

The City's other bond issues are secured by specific revenue streams rather than by resources of the General Fund. The portion of the sales tax generated at the Shops at Mission Viejo that is used to support the 1999 Series A and B Mission Viejo Mall Improvement Project bonds issued by the CDFA is also transferred to the CDFA in the form of a lease payment and accounted for as an operating transfer.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Professional/Technical Contractual Svcs	6,667	6,615	8,840	5,650	-36.1%	7,700	36.3%
Other services/fees	85	-	-	-	0.0%	-	0.0%
Debt Service	1,298,542	1,358,886	1,357,000	1,355,000	-0.1%	1,363,000	0.6%
Total Program Budget	1,305,294	1,365,501	1,365,840	1,360,650	-0.4%	1,370,700	0.7%
Funding Source							
General Fund	1,305,294	1,365,501	1,365,840	1,360,650		1,370,700	
Personnel Summary							
	-	-	-	-		-	

Significant Changes and Other Notes:

None



**2015-2017 Budget
Program Summary
Administrative Services-OCTA Gas Tax Exchange Fund**

Program Description:

This program was established as a result of an agreement with the Orange County Transportation Authority (OCTA) to exchange City general funds with OCTA Gas Tax funds. This agreement was entered into between the City of Mission Viejo and other cities in Orange County to maintain countywide public bus services, the funding for which was partially diverted to help resolve the Orange County bankruptcy of 1994. This funding agreement terminated on June 30, 2013.

Category Expenditure Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Contributions to agencies/organizations	1,981,452	-	-	-	0.0%	-	0.0%
Total Program Budget	1,981,452	-	-	-	0.0%	-	0.0%
Funding Source							
General Fund	1,981,452	-	-	-		-	
Personnel Summary							
	-	-	-	-		-	

Significant Changes and Other Notes:

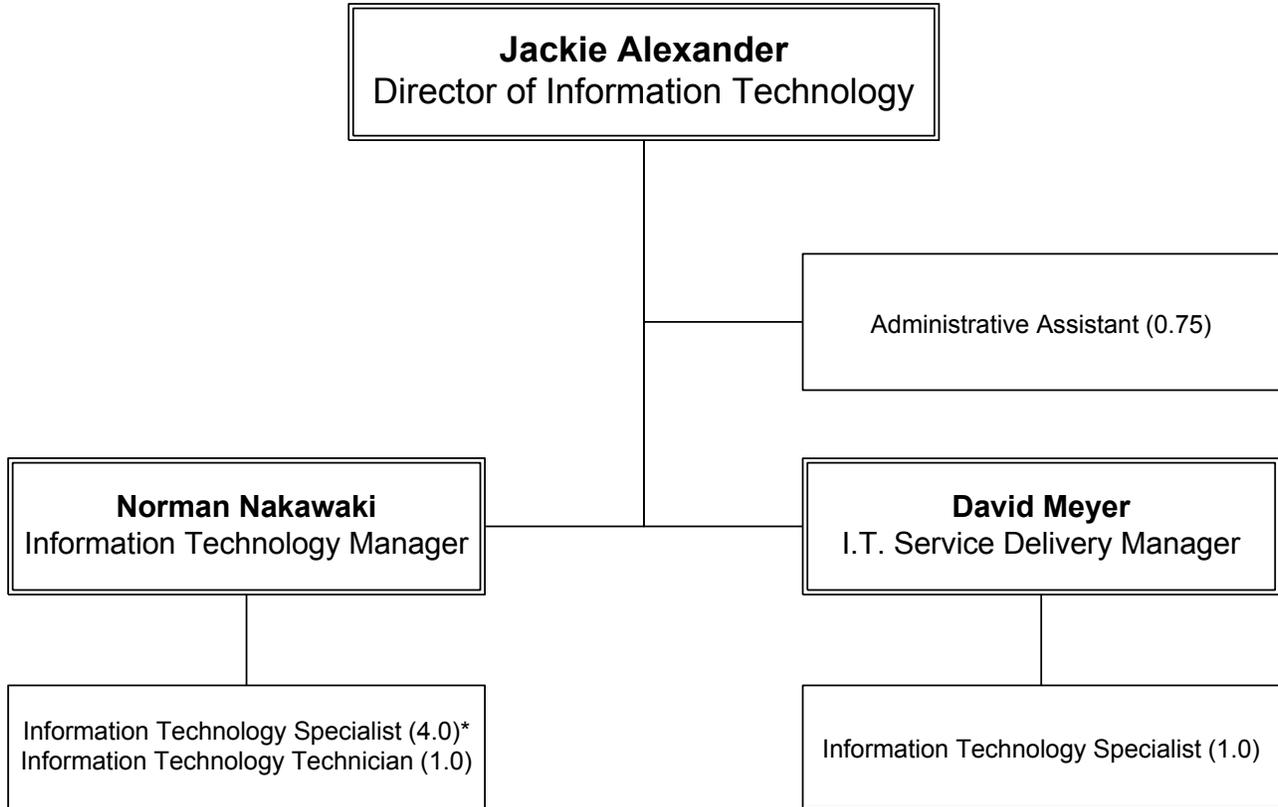
The OCTA Gas Tax Exchange agreement expired on June 30, 2013. There will be no exchange of funds after June 30, 2013.



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INFORMATION TECHNOLOGY DEPARTMENT



Department / Program Description:

The Information Technology (IT) Department provides the City with leadership in both tactical and strategic planning, implementation, and maintenance of information technology, utilizing industry best practices and committing to fiscal responsibility.

Information Technology provides consistent, timely and reliable technology tools and services to support the City's staff, City Council members and residents. The IT staff manages the City's network infrastructure; telecommunication services (including voice, data and video communications); email systems; MVTV Channel 30 cable television equipment; radio communications; printing and digital photocopying; wireless network (Wi-Fi); and audio/video and voting systems. In addition, IT is responsible for managing and maintaining the City's internal and external web and social media sites, coordinating training services, providing support to end users of all IT systems, and supporting emergency preparedness activities.

**Information Technology Specialist underfilled with Information Technology Technician.*



CITY OF MISSION VIEJO
2015-17 Department Objectives
Information Technology



Strategic Goal(s)



In partnership with Community Development, Public Works and Public Services Departments, position the City to provide Internet services through its fiber network to meet the needs of local businesses and other community partners. This assists with the long-term growth of the businesses, facilitates business development through community partnerships and “business-friendly” processes, and encourages renovation and revitalization of the community.



In coordination with City Clerk’s Department, upgrade the Mission Viejo Television studio and Council Chamber infrastructure to replace aging equipment and provide capabilities of recording and broadcasting in High Definition both on television and online. An upgraded production system will be used in a wide variety of environments, including the filming of City Council Meetings as well as features that allow for in-studio and on-location productions; meeting key needs such as mobile broadcasting, compatibility with other City systems, and integration with cable providers for local public access television. Upgrades to the studio will provide superior services that meet the unique needs of the community and upgrades to the Council Chambers will ensure continued transparency of local government.



Redesign all City websites to a new user-friendly design applying modern, mobile-device responsive, and ADA accessible design standards; facilitating improved delivery of City information and services, enhancing government transparency, citizen involvement, engagement, and participation.



Support and administer all technological needs for Social Media program. Recommend new and effective uses of social media technologies to promote community engagement and to provide responsive and accessible governance. This provides communication and information where people already gather and cultivates and supports neighborhood gatherings and city-wide special events that connect the community.



Deploy free public WiFi and security cameras at Gilleran Park and La Paws Dog Park. WiFi provides communication services for community members gathered in our City parks for events, and security cameras contribute to proactive prevention and reduction of crime.



Replace aging network infrastructure to ensure dependability, accessibility and security of the City’s technology systems. This strategically develops infrastructure that meets the future needs of the City, and proactively prevents and reduces malicious activity against the City’s data.



CITY OF MISSION VIEJO
2013-15 Department Accomplishments
Information Technology



- Per the department's goal for Shared Services, the I.T. Department successfully completed the following shared services projects/tasks:
 - Migrated the City of Aliso Viejo's website to a new platform on the City of Mission Viejo's network that is more dynamic and easy to maintain.
 - Provided helpdesk/support services for the City of Costa Mesa for over a year.
 - Completed upgrades to the City of Costa Mesa's Police Department software, MCT, in all of their vehicles.
 - Installed and implemented network attached storage (NAS) for the City of Tustin.
- Implemented the LoopLink real estate database solution on <http://MissionViejoMeansBusiness.com> to provide business owners functionality to search for properties for sale or lease within the Community. This tool allows business owners to easily research availability of real estate for purchase or lease to locate their businesses within Mission Viejo. This enhanced the marketability of the community's amenities, location and livability along with facilitating business development through community partnerships and "business-friendly" processes.
- Successfully deployed web cameras at Marguerite Tennis to provide a dual purpose of streaming of the UNIQLO Wheelchair Doubles Masters tennis tournament and to serve as surveillance for securing the facility. The live stream of the tournament was viewable worldwide and provided a unique and superior service, setting Mission Viejo apart from other cities in the area.
- Designed and configured a website presence to promote the La Paws Dog Park, including an eCommerce solution to collect donations on behalf of the Dog Park, which helped to raise over \$38,000 to enhance amenities for the Dog Park.
- Introduced a website, <http://DiscoverMissionViejo.com>, to serve as an informational and marketing resource for events, classes, entertainment, and arts in Mission Viejo to cultivate and provide a variety of recreational and cultural experiences for residents. This website showcases the activities, events and amenities of Mission Viejo to visitors and residents alike.
- In coordination with the Administrative Services department, successfully completed phase one of the Tyler Munis ERP (Enterprise Resource Planning) software system implementation, which enabled and enhanced financial efficiency, accountability, and transparency.
- Completed upgrades to the City's virtualization environment and backup systems to maintain continuity of the City's services, to protect the City's data, and to maintain an effective disaster recovery plan for emergency preparedness.
- Migrated the City to a new Geographic Information System, GovClarity GIS, to provide staff, residents, and businesses with easier access to information about property data, utilities, and various public services, which enhances efficiency, transparency, and ensures prudent management of the City's physical resources.
- In coordination with the Administrative Services department, facilitated the transition to U.S. Bank as the City's new financial institution, ensuring technical integration and compatibility with the City's software systems, preventing service interruptions, and following City guidelines that help ensure the transparency of City financial accounting.
- Deployed SirsiDynix Mobile Circulation which provides the Library staff more flexible ways to register patrons at remote locations such as City events or schools. This helps to promote the Library and encourages staff to connect with the community.



CITY OF MISSION VIEJO
2013-15 Department Accomplishments
Information Technology

- Implemented “Printer-On” which allows patrons to print from any Internet connected device such as a laptop or a mobile device. This allows patrons to print documents/photos in a secured environment.
- Enhanced the design and presentation of Mission Viejo video content available through Granicus and YouTube streaming services. In response to the increase of video content, both streaming services were re-styled and re-organized to present video content in a more attractive, organized, and user friendly interface.
- In coordination with the Public Services and Community Development departments, successfully implemented Access MV 24/7 through the City’s website which provides the community a virtual City Hall to submit requests from a computer or mobile device. This partnered with the community to facilitate improved delivery of city services, and helped to foster a sense of community pride through citizen involvement, engagement & participation.
- In coordination with Public Services/Animal Shelter department, successfully deployed 11 surveillance cameras throughout the Animal Shelter facility, which contributed to the proactive prevention and reduction of crime.
- Virtualized the VoIP/Phone system infrastructure, which reduced the City’s electrical costs for power and air conditioning, and reduced hardware maintenance costs. This fulfilled the City’s mission to protect and preserve natural resources for an environmentally sustainable future.
- Upgraded the City’s e-mail system to provide superior services and redundancy with the collocation site. This ensures continuous availability of e-mail communication for all City personnel, elected officials, emergency personnel, and residents for day to day operations and in the event of an emergency or disaster situation.
- In preparation for emergency situations, upgraded a UPS unit in the City Hall Data Room to supply continuous power to all I.T. systems to ensure uninterrupted delivery of technology dependent services. This ensures that the City is prepared with a well-planned, coordinated, and prompt response to disasters.



CITY OF MISSION VIEJO
2015-17 Department Performance Measures
Information Technology



Performance measures are designed to determine accountability, improve service quality, allocate resources and evaluate departmental performance in meeting Mission Viejo's goals and objectives.

Measure	FY 2013/14 Actual	FY 2014/15 Estimated	FY 2015/16 Projected	FY 2016/17 Projected
# of nodes supported in total/Information Technology Specialist & Technician	1125/188	1117/186	1167/194	1217/202
# of applications supported	367	386	405	424
# of user accounts	313	309	483	488
# of user requests submitted	5,514	6,641	7,769	9,090
# of users without a desktop for more than two hours	0	0	0	0
# of unplanned network down time in hours	0	0	0	0



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**2015-2017 Budget
Program Summary
Information Technology**

Program Description:

The Information Technology (IT) Department provides the City with leadership in both tactical and strategic planning, implementation, and maintenance of information technology, utilizing industry best practices and committing to fiscal responsibility.

Information Technology provides consistent, timely and reliable technology tools and services to support the City's staff, City Council members and residents. The IT staff manages the City's network infrastructure; telecommunication services (including voice, data and video communications); email systems; MVTV Channel 30 cable television equipment; radio communications; printing and digital photocopying; wireless network (Wi-Fi); and audio/video and voting systems. In addition, IT is responsible for managing and maintaining the City's internal and external web and social media sites, coordinating training services, providing support to end users of all IT systems, and supporting emergency preparedness activities.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	706,300	825,526	895,131	908,806	1.5%	936,070	3.0%
Benefits	263,595	315,101	348,030	319,812	-8.1%	336,250	5.1%
Professional/Technical Contractual Svcs	295,108	234,641	362,265	136,500	-62.3%	116,500	-14.7%
Maintenance/Repair Contractual Svcs	114,777	142,869	360,525	342,920	-4.9%	324,920	-5.2%
Supplies	69,611	41,638	98,565	94,950	-3.7%	94,950	0.0%
Insurance	-	5,360	-	-	0.0%	-	0.0%
Utilities	153,044	165,937	182,635	184,875	1.2%	184,875	0.0%
Dues/Memberships/Subscriptions	3,990	3,595	1,295	1,720	32.8%	1,720	0.0%
Travel/Training/Meetings	6,226	6,327	42,230	25,200	-40.3%	25,200	0.0%
Other services/fees	361,617	376,391	492,671	529,700	7.5%	502,840	-5.1%
Capital outlay	2,258	390,949	1,194,757	685,500	-42.6%	64,500	-90.6%
Total Program Budget	1,976,526	2,508,334	3,978,104	3,229,983	-18.8%	2,587,825	-19.9%
Funding Source							
General Fund	1,768,632	2,316,634	3,741,910	2,587,008		2,439,850	
CEFV Replacement Fund	2,258	88,787	22,538	496,000		-	
Library Fund	162,934	76,665	129,068	95,900		95,900	
MVTV Fund	8,235	2,799	4,950	3,875		3,875	
MVTV Capital Fund	-	-	20,000	10,000		10,000	
Animal Services Fund	34,467	23,449	59,638	37,200		38,200	
Total Program Budget	1,976,526	2,508,334	3,978,104	3,229,983		2,587,825	
Personnel Summary	7.75	7.75	9.75	9.75		9.75	

Significant Changes and Other Notes:

Under Maintenance/Repair Contractual Services, unspent funds in prior years has been carried over to FY 14/15 resulting in a significantly higher amended budget. This expenditure category includes maintenance cost for all software and hardware systems, including the cost of warranties on equipment.

Supplies includes the cost for small equipment necessary to maintain the network, including switches, routers, hard drives and other miscellaneous parts and components.

Utilities includes the cost of landline phones and internet at all City facilities.

Other services/fees includes software licensing for approximately 30 separate software applications used by City staff and the public.

Capital Outlay for FY 14/15 includes the appropriation for the purchase of a new accounting software system. FY 15/16 includes funds for replacement of network hardware and upgrades to the City Hall building security system.



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**2015-2017 Budget
Program Summary
Public Works-Integrated Waste Management**

Program Description:

This program is responsible for administering the City's integrated solid waste management franchise agreement for both residential and commercial services, including the City's curbside household hazardous waste (HHW) collection efforts. This program also oversees the City's Construction and Demolition (C&D) Waste Recycling Program; implements a variety of recycling programs to meet state recycling mandates; and offers public education and outreach on recycling and solid waste services, including assistance to local schools and businesses.

The Integrated Waste Management program prepares and submits the annual Source Reduction and Recycling Element to the California Department of Resources, Recycling and Recovery (CalRecycle) each year as required by AB 939. It also monitors solid waste legislation and new recycling programs being implemented in other cities; administers special waste management grants; and oversees the "Sharps Needle Disposal by Mail" and medication drop off programs.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	20,703	20,986	21,557	21,985	2.0%	22,645	3.0%
Benefits	6,719	7,204	6,981	7,120	2.0%	7,518	5.6%
Professional/Technical Contractual Svcs	35,782	46,568	128,774	76,700	-40.4%	76,700	0.0%
Supplies	50,433	30,701	30,000	37,500	25.0%	35,000	-6.7%
Rents	2,787	2,399	-	2,500	100.0%	2,500	0.0%
Travel/Training/Meetings	100	496	500	500	0.0%	500	0.0%
Other services/fees	-	1,240	3,400	4,500	32.4%	4,500	0.0%
Total Program Budget	116,524	109,594	191,212	150,805	-21.1%	149,363	-1.0%

Funding Source

General Fund	116,524	109,594	191,212	150,805	149,363
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Personnel Summary

	0.20	0.20	0.20	0.20	0.20
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Significant Changes and Other Notes:

The Integrated Waste Management program is 100% funded with restricted revenues from a state grant, forfeited construction and demolition deposits, and fees from Waste Management of Orange County.

Professional/Technical Contractual Services includes the cost for the medication and sharps disposal by mail program as well as consulting services to assist staff with school and community recycling and education programs.

Supplies includes materials used as educational tools for programs and other items for recycling education outreach.

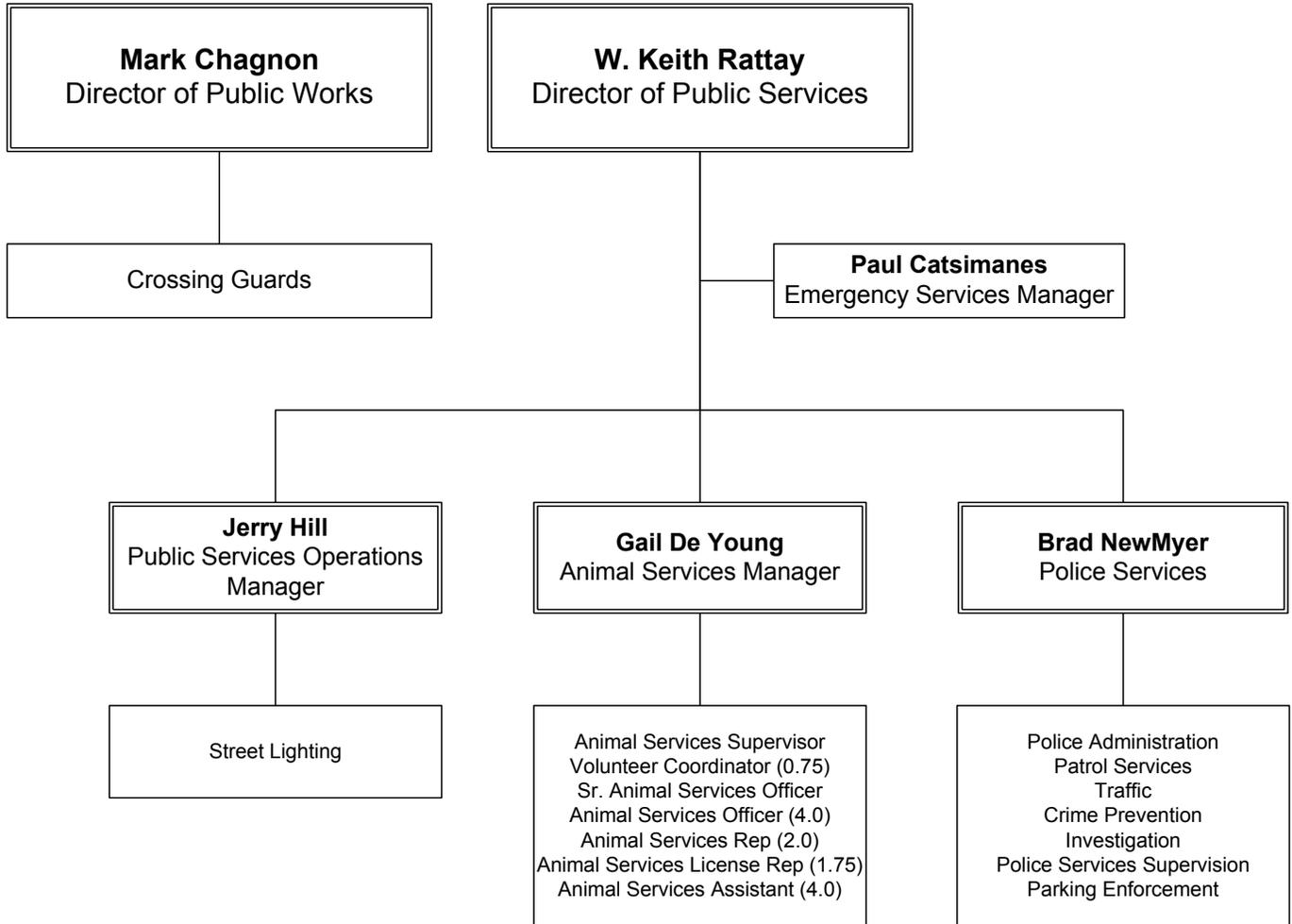


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CITY OF MISSION VIEJO
2015-17 Department Organizational Chart

PUBLIC SAFETY



Department Description:

The Public Safety Program Area provides for the overall protection and safety of the City and its residents. The major component of this program area is the Police Services Department (Orange County Sheriff's Department). The Public Works Department manages the contract for crossing guard services at various school crossings citywide. The Public Services Department oversees the operations of the Animal Services, Emergency Preparedness, and Street Lighting programs. While the maintenance and operation of the City's streetlights is the responsibility of the utility companies, the City pays for the costs of electricity, conducts inspections, and serves as a liaison with the utility companies.



CITY OF MISSION VIEJO
2015-17 Department Objectives
Public Safety

Strategic Goal(s)



Conduct training opportunities for the Mission Viejo Business Watch Program with a focus on topical issues that relate to local businesses (i.e feature current crime trends, current state mandates) in an effort to provide a safer environment for the City's business community.



In cooperation with Orange County Sheriff's Department (OCSD) staff and other contract cities, develop a committee to review the current police services contract delivery model to determine how to provide the highest level of public safety services under the most cost efficient method.



On a quarterly basis, prepare reports on crime and traffic statistics and trends on data produced by the OCSD and provide information to the City Council to proactively engage the Council on public safety activity in the community and to assist the Council in making prudent fiscal decisions involving public safety resources.



Analyze information regarding drug trends in the community and develop strategies and programs for educating parents, teachers, children and other community stakeholders on the dangers of drug use and drug prevention.



Implement an emergency preparedness academy oriented toward the senior community to increase citywide emergency preparedness and increase self-reliance during a disaster.



Initiate discussion with other south county agencies and Saddleback Unified School District to establish a multi-jurisdictional South County Shelter at Mission Viejo High School for large animals and human evacuees in efforts to increase citywide emergency preparedness.



In coordination with the Information Technology and City Clerk Departments, produce a series of Animal Service videos showcasing wildlife and dog park etiquette to educate the community on various wildlife issues and pet safety.



Provide staff assistance and feedback to IT during the City's website redesign process to ensure that the website best serves the needs of citizens and other stakeholders while enhancing government transparency, citizen involvement, engagement and participation.



CITY OF MISSION VIEJO
2013-15 Department Accomplishments
Public Safety



Crossing Guards

- Revised the contract for school crossing guard services to compensate a minimum of three hours per guard per day (instead of four) based on recent interpretations of California Labor Law. The resultant annual savings to the City was approximately \$90,000 with no change in service levels.

Street Lighting

- Conducted night inspections of arterial street lights, kept a log and reported outages to electric companies; inspected the northern portion of the City by June, 2014 and the southern portion of the City by June, 2015.
- Continued to update inventory of missing scrolls and bonnets and replaced, as needed, by June, 2014 and June, 2015. (This effort included the need to coordinate with the two utility companies as damaged street lights are replaced.)



CITY OF MISSION VIEJO
2015-17 Department Performance Measures
Public Safety



Performance measures are designed to determine accountability, improve service quality, allocate resources and evaluate departmental performance in meeting Mission Viejo's goals and objectives.

Measure	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Projected
Police Services*				
# of calls for service	20,433	20,046	20,400	20,500
# of arrests made citywide	1,546	1,111	1,200	1,250
# of Part 1 crimes**	1,270	935	900	900
Average preventative patrol time***	45%	42%	45%	45%
Average response time for Priority 1 calls from dispatch to scene (minutes)	6:16	6:05	5:30	5:30
Traffic enforcement Index (citations/accidents)	19.00	22.95	23.00	23.40
# of volunteer hours	6,600	5,448	6,000	6,000

* Measures are based on calendar year statistics (i.e. FY 2014/15 reflects calendar year 2014).

**Part 1 crimes include reports of homicide, rape, robbery, assault, residential and commercial burglary, theft and automobile theft.

***The goal of the Orange County Sheriff's Department is a preventative patrol time between 40% - 50%, with a higher percentage indicating more deputies are available for service.

Public Works

Number of crossing guards provided to serve schools	36	37	37	37
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Public Services

Total domestic animals impounded	1226	1157	1,300	1,300
Total dead animals & wildlife impounded	872	884	1,000	1,000
% of animals adopted	45%	54%	53%	53%
% of animals returned to owner	40%	34%	37%	37%
# Field service calls responses	7992	6358	7,000	7,000
# of barking dog complaints	1159	1115	800	800
# of kittens & puppies fostered by volunteers	195	241	200	200
Total # volunteers/Total hours	154/14,987	157/15,171	150/15,000	150/15,000
Animal medical care provided by the Dedicated Animal Welfare Group (DAWG)	\$78,441	\$78,989	\$79,000	\$79,000
# of resident requests for street light outages received and reported to utility companies within 24 hours of notification	416	429	350	350
# of bonnets and scrolls added to electric street lights on arterial streets (Singles/Doubles)	5/4	17/10	8/10	8/10



**2015-2017 Budget
Program Area Summary
Public Safety
Expenditures, All Funds: FY 2012/13 - FY 2016/17**

Police Services are provided through a contract with the Orange County Sheriff's Department (OCSD). The Sheriff's staff provides patrol services, traffic enforcement and traffic accident investigation, emergency operations services, general investigative functions, and special event planning and operations. The City provides funding for Community Resources programming and the Senior Community Activity Team (SCAT).

The Animal Services program provides animal field services, humane shelter services and public education for Mission Viejo and the cities of Laguna Niguel and Aliso Viejo. These two cities contract with Mission Viejo and pay a share of the costs for animal services provided to them.

The Emergency Preparedness responsibilities include updating the City's Emergency Operations Plan, acting as liaison with other public sector emergency agencies, training City staff in emergency preparedness duties, conducting a citizens emergency preparedness academy and managing the supply inventory and system readiness of the City's Emergency Operations Center at City Hall.

	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Police Services Department							
Police Administration	1,842,008	1,924,168	3,162,872	2,824,623	-10.7%	2,838,851	0.5%
Patrol Services	6,916,795	6,499,938	7,091,089	7,272,621	2.6%	7,563,526	4.0%
Traffic	2,290,080	2,707,648	2,759,308	2,959,758	7.3%	3,068,648	3.7%
Crime Prevention	1,130,874	1,308,629	1,317,246	1,366,859	3.8%	1,418,342	3.8%
Investigation	1,341,105	1,287,460	1,253,581	1,285,673	2.6%	1,337,100	4.0%
Police Services Supervision	1,708,101	1,801,005	1,749,937	1,794,735	2.6%	1,866,525	4.0%
Parking Enforcement	208,958	-	-	-	0.0%	-	0.0%
Total Police Services	15,437,921	15,528,848	17,334,033	17,504,269	1.0%	18,092,992	3.4%
Public Works Department							
Crossing Guards	354,653	272,345	300,000	305,000	1.7%	315,000	3.3%
Total Public Works	354,653	272,345	300,000	305,000	1.7%	315,000	3.3%
Public Services Department							
Animal Services	1,416,465	1,545,004	1,652,302	1,752,604	6.1%	1,682,289	-4.0%
Emergency Preparedness	205,669	199,323	179,006	173,377	-3.1%	181,781	4.8%
Street Lighting	902,153	914,246	902,500	930,000	3.0%	930,000	0.0%
Total Public Services	2,524,287	2,658,573	2,733,808	2,855,981	4.5%	2,794,070	-2.2%
Total Public Safety	18,316,861	18,459,766	20,367,841	20,665,250	1.5%	21,202,062	2.6%



2015-2017 Budget Program Summary Public Safety-Police Services

Department Description:

Police services in the City of Mission Viejo are provided by contract with the Orange County Sheriff's Department (OCSD). Law enforcement protection is provided through a variety of components: patrol services, traffic enforcement (including parking enforcement and traffic accident investigation), emergency operations services, community resource officers, general and specialized investigative functions, special events planning and operation, and the volunteer Seniors' Community Activity Team (SCAT).

Program Descriptions:

Administration

The Sheriff's lieutenant, serving as Chief of Police Services for the City of Mission Viejo, directs the daily operations of all the law enforcement personnel assigned to the City. The Chief of Police serves as the liaison between the administration of the City of Mission Viejo and the Orange County Sheriff's Department, and ensures the policies and procedures of both the Sheriff's Department and the City of Mission Viejo are carried out. The Chief of Police is an on-site contact, which facilitates communication between the community and its police department.

Patrol Services

The primary responsibilities of the deputy sheriffs assigned to patrol services are preventing criminal conduct, detecting and apprehending criminal violators, and responding to calls for service. They accomplish these duties by the use of visible patrols in marked units and the enforcement of all City, County, and State statutes.

Traffic Enforcement Services

Traffic Enforcement Services endeavors to provide a safe atmosphere for the motoring public through proactive education and directed traffic law enforcement programs. This unit is comprised of deputies working on motorcycles, community service officers enforcing parking and abandoned vehicle laws and providing initial traffic accident investigation, and deputies providing follow-up traffic accident investigation and accident reconstruction services.

Crime Prevention

The staff in this program coordinate crime prevention programs and community outreach activities, make presentations to community groups, and facilitate crime prevention efforts. Their responsibilities include coordinating Neighborhood and Business Watch programs and the "Child-Safe ID" program; providing information to the community regarding crime trends and events; conducting school safety programs; providing safety and educational programs to seniors, parents, residents, businesses, teens and children; and participating in community events.

Investigation Services

Investigation Services provides critical follow up to reported criminal activity, initiates investigations, and works in undercover capacities as needed. The detectives assigned to the City of Mission Viejo work all the criminal activity in the City, except for specialty disciplines, such as homicide and narcotics.

Supervision

Sergeants supervise and provide ongoing training to deputies, professional staff, and community service officers. These first line supervisors are on duty around the clock and immediately respond to significant events that require tactical operations. They are also charged with monitoring employee performance during routine duties.



**2015-2017 Budget
Program Summary
Public Safety-Police Services**

Program Descriptions (Cont):

Parking Enforcement

This program enforces parking regulations, which enhances public safety, such as handicapped parking and fire lane restrictions.

School Resources

The School Resources Program is designed to develop partnerships between law enforcement and the school community to provide a safe learning environment at schools in Mission Viejo. School Resources Officers (SROs) are assigned to high schools and middle schools. The officers' duties include providing safety, security, emergency preparedness planning, and guidance and direction to students, parents and staff. This is accomplished by being a visible presence on campus and by participating in classroom activities, counseling sessions, assemblies, staff meetings, disciplinary hearings, and educational programs. This program funds five Deputy Sheriffs at an annual cost of approximately \$1.0 million.

Category Expenditure Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Salaries & wages	42,089	37,532	39,294	35,398	-9.9%	35,911	1.4%
Benefits	6,377	6,328	5,983	6,191	3.5%	6,501	5.0%
Professional/Technical Contractual Svcs	1,755	1,418	3,000	3,000	0.0%	3,000	0.0%
Maintenance/Repair Contractual Svcs	228,670	210,815	200,600	260,685	30.0%	260,685	0.0%
Supplies	73,531	64,148	56,380	61,580	9.2%	61,580	0.0%
Rents	7,985	6,874	2,000	2,000	0.0%	2,000	0.0%
Utilities	3,154	3,281	-	-	0.0%	-	0.0%
Dues/Memberships/Subscriptions	60	2,296	-	-	0.0%	-	0.0%
Travel/Training/Meetings	5,003	3,390	300	300	0.0%	300	0.0%
Other services/fees	15,053,717	15,151,073	16,564,746	17,119,415	3.3%	17,637,315	3.0%
Contributions to agencies/organizations	5,080	16,278	16,330	15,700	0.0%	15,700	0.0%
Capital outlay	10,500	25,415	445,400	-	-100.0%	70,000	100.0%
Total Program Budget	15,437,921	15,528,848	17,334,033	17,504,269	1.0%	18,092,992	3.4%

Funding Source

General Fund	15,209,921	15,378,848	17,145,944	17,354,269		17,942,992	
CEFV Replacement Fund	-	-	27,000	-		-	
Supplemental Law Enforcement Fund	228,000	150,000	150,000	150,000		150,000	
Regional Narcotics Suppression	-	-	11,089	-		-	
Total Program Budget	15,437,921	15,528,848	17,334,033	17,504,269		18,092,992	

Personnel Summary	0.15	0.15	0.15	0.15		0.15	
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Significant Changes and Other Notes:

Maintenance/Repair Contractual Services includes the City's annual maintenance cost toward the County's mobile data computer system and 800 MHZ system as well as maintenance of all police motorcycles.

Supplies includes costs associated with various programs and events, including Red Ribbon week and Neighborhood Watch.

Other services/fees includes the Orange County Sheriff's contract.

Capital outlay in FY 2014/15 includes the purchase of a replacement motorcycle.



**2015-2017 Budget
Program Summary
Public Works-Crossing Guards**

Program Description:

This program manages the contract which provides crossing guard services at eligible school crossings in the City. This management includes resolving any crossing guard, traffic problems or related issues with the contractor. This program also responds to request for adding crossing guards to new intersections and evaluates existing assignments of guards. These request and evaluation findings are reported to the Planning and Transportation Commission.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Professional/Technical Contractual Svcs	354,653	272,345	300,000	305,000	1.7%	315,000	3.3%
Total Program Budget	354,653	272,345	300,000	305,000	1.7%	315,000	3.3%

Funding Source							
General Fund	354,653	272,345	300,000	305,000		315,000	

Personnel Summary							
	-	-	-	-		-	

Significant Changes and Other Notes:

None.



**2015-2017 Budget
Program Summary
Public Services-Animal Services**

Program Description:

The Animal Services Program provides animal field services, humane shelter services, and public education programs to the residents of Mission Viejo, Laguna Niguel and Aliso Viejo. Through an in-house animal services staff, supplemented by volunteers and contract services, the City provides animal control, regulation, and prevention of rabies for both wild and domestic animals. The City of Mission Viejo provides quality animal care services for the residents of the three cities through community awareness and outreach programs focusing on proper pet care, spay/neuter programs, and animal licensing services. Additionally, the City supports the Dedicated Animal Welfare Group (DAWG) that raises funds to support animal care and education at the Center.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	766,866	854,391	873,944	906,575	3.7%	929,489	2.5%
Benefits	367,250	413,101	422,561	449,349	6.3%	417,120	-7.2%
Professional/Technical Contractual Svcs	51,638	51,365	62,600	70,600	12.8%	72,600	2.8%
Maintenance/Repair Contractual Svcs	3,465	3,879	6,000	8,000	33.3%	8,000	0.0%
Supplies	57,122	75,872	79,197	75,850	-4.2%	75,850	0.0%
Rents	2,288	1,145	1,800	1,800	0.0%	1,800	0.0%
Utilities	27,402	30,943	37,200	40,380	8.5%	40,380	0.0%
Dues/Memberships/Subscriptions	747	767	900	900	0.0%	900	0.0%
Travel/Training/Meetings	2,872	3,143	5,300	5,300	0.0%	5,300	0.0%
Other services/fees	11,735	13,638	28,800	16,850	-41.5%	16,850	0.0%
Depreciation	125,080	96,760	114,000	114,000	0.0%	114,000	0.0%
Capital outlay	-	-	20,000	63,000	215.0%	-	0.0%
Total Program Budget	1,416,465	1,545,004	1,652,302	1,752,604	6.1%	1,682,289	-4.0%

Funding Source

Animal Services Fund	941,465	988,649	1,097,396	1,167,954		1,103,349
General Fund	-	25,966	5,497	-		
General Fund Subsidy	475,000	530,389	549,409	584,650		578,940
Total Program Budget	1,416,465	1,545,004	1,652,302	1,752,604		1,682,289

Personnel Summary	14.85	15.05	15.05	15.55		15..55
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Significant Changes and Other Notes:

Professional/Technical Contractual Services includes veterinarian services, citation administration and miscellaneous animal disposal services.

Supplies includes dog tags, animal medications and kennel cleaning supplies and pet food.

Other services/fees includes postage for outreach and licensing efforts.

Capital only in FY 15/16 includes funding for the purchase of critical care transport vehicle that will be funded with donated funds.



**2015-2017 Budget
Program Summary
Public Services-Emergency Preparedness**

Program Description:

The Emergency Preparedness Program is responsible for the development, maintenance and implementation of the City's Emergency Operations Plan. Staff coordinates emergency preparedness training exercises for City staff as well as public and private groups within the City. The Emergency Preparedness coordinator also serves as the City's liaison with local, state and federal emergency organizations. The operation of the Emergency Operations Center (EOC) is the responsibility of designated emergency preparedness staff members as set forth by the Standard Emergency Management System (SEMS).

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	108,392	111,550	110,794	112,373	1.4%	115,744	3.0%
Benefits	39,352	41,848	40,337	38,254	-5.2%	40,287	5.3%
Professional/Technical Contractual Svcs	22,625	23,877	6,125	-	-100.0%	-	0.0%
Maintenance/Repair Contractual Svcs	11,400	-	-	-	0.0%	-	0.0%
Supplies	20,466	13,418	7,800	7,800	0.0%	7,800	0.0%
Rents	187	4,074	-	-	0.0%	-	0.0%
Utilities	2,963	4,127	3,400	3,400	0.0%	3,400	0.0%
Dues/Memberships/Subscriptions	-	-	200	200	0.0%	200	0.0%
Travel/Training/Meetings	7	241	5,250	6,250	19.0%	9,250	48.0%
Other services/fees	277	188	1,100	1,100	0.0%	1,100	0.0%
Capital outlay	-	-	4,000	4,000	0.0%	4,000	100.0%
Total Program Budget	205,669	199,323	179,006	173,377	-3.1%	181,781	4.8%

Funding Source

General Fund	192,919	182,157	179,006	173,377		181,781	
Misc Federal Grants	12,750	17,166	-	-		-	
Total Program Budget	205,669	199,323	179,006	173,377		181,781	

Personnel Summary	0.80	0.80	0.80	0.80		0.80	
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Significant Changes and Other Notes:

Travel/Training/Meetings is for California Specialized Training Institute intense emergency training for two staff members in FY 15/16 and three staff members in FY 16/17.



**2015-2017 Budget
Program Summary
Public Services-Street Lighting**

Program Description:

The operation and maintenance of all street lights within the City is the responsibility of the local utility companies which provide service to Mission Viejo: Southern California Edison (SCE) for the northern part of the City and San Diego Gas & Electric (SDG&E) for the southern part of the City (La Paz Road serves as the demarcation line for this north-south division). The City pays for the monthly rental cost of street lights; processes all service requests received for street light maintenance, provides a liaison to the utility companies; and conducts routine inspections of street lights. The City also conducts inspection of all City arterial street lights three times per year.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Utilities	902,153	914,246	902,500	930,000	3.0%	930,000	0.0%
Total Program Budget	902,153	914,246	902,500	930,000	3.0%	930,000	0.0%
Funding Source							
General Fund	499,653	914,246	902,500	930,000		930,000	
OCTA Exchange Fund	402,500	-	-	-		-	
Total Program Budget	902,153	914,246	902,500	930,000		930,000	
Personnel Summary							
	-	-	-	-		-	

Significant Changes and Other Notes:

Due to the expiration of the OCTA Gas Tax Exchange Fund agreement, all costs previously budgeted in the OCTA Exchange Fund have been shifted to the General Fund.

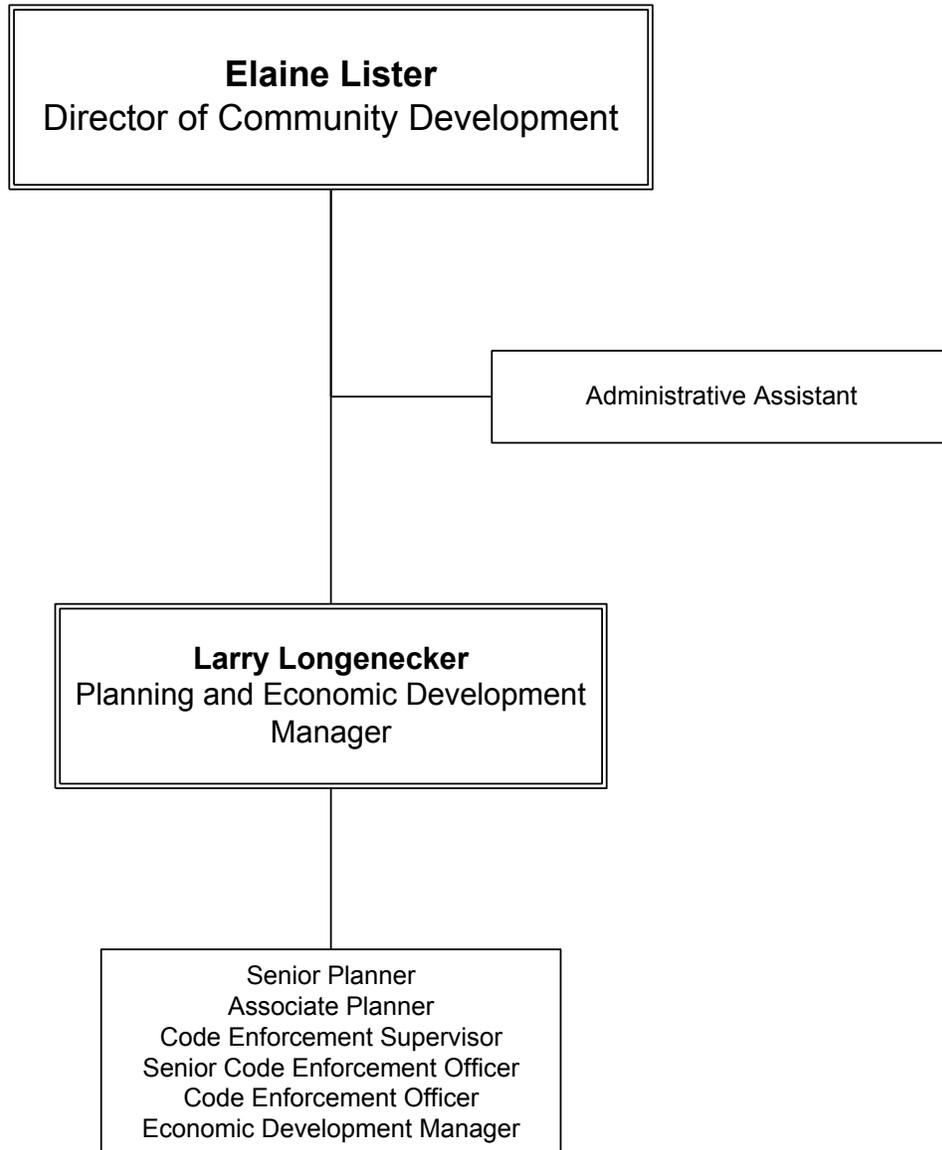


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CITY OF MISSION VIEJO
2015-17 Department Organizational Chart

COMMUNITY DEVELOPMENT DEPARTMENT



Department Description:

The Community Development Department administers the City's land use policies, including zoning, building, subdivision and environmental regulations, to ensure the orderly physical growth of the community. Program activities range from advance and current planning to permit inspection, code enforcement and economic development.

This department also oversees the Community Development Block Grant (CDBG) and Housing Rehabilitation programs.



CITY OF MISSION VIEJO
2015-17 Department Objectives
Community Development



Strategic Goal(s)



Oversee the review and processing of new development proposals including NCA Medical Center at the Shops at Mission Viejo, and Affordable Housing Sites “A” and “C”, as applicable, and oversee construction of significant development projects such as Skyridge, Hampton Inn & Suites, Greenstreet, and the Kaleidoscope remodel. This partnership with property owners and developers encourages renovation and revitalization of the community and maintains clean, orderly and visually appealing neighborhoods and commercial areas, adding to the community’s marketable amenities and overall livability.



Work with consultant Kosmont Companies to prepare and implement an Economic Development Strategic Plan for the City to help foster economic vitality and land use revitalization.



Facilitate business outreach and development through community partnerships, business-friendly events (e.g. the Annual Mission Viejo Business Expo, low-cost business workshops, broker outreach events, Mission Viejo Chamber of Commerce and Ad Hoc Economic Development Committee staff support), and keeping the City’s Economic Development website current and relevant, to provide assistance and resources to recruit and retain a well-balanced mix of businesses, in collaboration with the community.



Update the General Plan Public Safety Element to foster a feeling of personal safety with a well-maintained public safety presence and a well-planned emergency response system. Update the General Plan Noise Element to preserve and maintain neighborhoods, commercial areas and public spaces that are free from excessive and harmful noise to promote quality of life through a properly regulated community that is safe and orderly.



Through the City’s Code Enforcement Division and Housing Rehabilitation program, and in partnership with volunteer community service organizations (i.e. church groups), continue implementation of neighborhood clean-up efforts to ensure regulatory and policy compliance that maintains clean, orderly and visually appealing neighborhoods and commercial areas.



Continue to provide fee waivers for energy and water conserving improvements, and explore opportunities for new fee waiver programs, to provide assistance and resources to homeowners and business owners, and help recruit and retain a well-balanced mix of businesses.



Adopt the 2016 State and International Building Codes, ensure all Building Division staff is fully trained, and update all handouts, forms, and applicable information on the City’s website related to the codes to promote a properly regulated community that is safe and enjoyable, and assist residents and business owners with timely and efficient permit processing.



Provide staff assistance and feedback to IT during the City’s website redesign process to ensure that the website best serves the needs of citizens and other stakeholders while enhancing government transparency, citizen involvement, engagement and participation.



CITY OF MISSION VIEJO
2013-15 Department Accomplishments
Community Development



- Secured City Council approval of three mandatory General Plan Elements: Land Use, Circulation, and Conservation / Open Space.
- Prepared and processed through City Council the 2013 and 2014 annual General Plan Progress Report and Housing Element Progress Report and submitted to State OPR and HCD within the state specified time frames.
- Assisted with Orange County Fire Authority coordination and ordinance preparation regarding the City Council's determination to remove the Special Fire Protection Area designation for the City.
- Conducted public hearings and secured Planning and Transportation Commission approval for new development projects and businesses: Hampton Inn & Suites, GreenStreet retail and auto spa, Avery Center remodel, Union Market at Kaleidoscope, Larga Vista commercial center remodel, CostPlus World Market, Pub Thirty Two restaurant, Broken Yolk café, Pizza Studio, Evolution Swim Academy, Orange Theory Fitness, and approximately 15 new wireless telecommunication facilities. This included 18 Conditional Use Permits (CUP) processed within 6-8 weeks from date of complete application submittal. Approximately 94% of CUPs were approved after one Commission meeting (unless continued at applicant's request) and only one CUP was appealed to City Council.
- Conducted plan review, held Design Review Committee meeting, and prepared and released for public review a draft Environmental Impact Report for the NCA Medical Center proposed at the Shops at Mission Viejo.
- Reviewed plans, issued building permits, conducted inspections, and issued certificates of occupancy for Los Alisos Apartments and Adagio on the Green apartments (ongoing).
- Issued 3,889 Building Division permits in FY 2013/14 and 4,284 Building Division permits in FY 2014/15.
- Assisted with the creation and implementation of a building permit fee waiver program for water conservation improvements (e.g. higher performing fixtures) and continued to implement a building permit fee waiver program for energy efficient improvements (e.g. solar panels).
- Issued Certificate of Occupancy for new Volvo car dealership three days after application submittal.
- Conducted a Request for Proposal (RFP) for the City's Building Division Services, including plan check and inspection services, and secured City Council approval for an Agreement with Charles Abbott & Associates for services from July 1, 2015 – June 30, 2017.
- Secured City Council adoption of the 2013 State and International Building Codes, trained all building staff and updated all handouts and website information related to the 2013 Codes.
- In conjunction with the City Council's Ad Hoc Economic Development Committee, secured an Agreement with Kosmont Companies for economic development advisory services and the preparation of Economic Development Strategy for the City, with special emphasis on the Mission Viejo Village Shopping Center.
- Developed content and continually updated the City's Economic Development website, including enhanced demographic resources and 428 business news articles.
- Coordinated with outside governmental agencies to offer 86 low-cost or free business workshops.
- Held a commercial real estate broker event to enhance the working relationship between City staff and the brokers.
- Secured City Council approval of revised funding criteria for award of Community Development Block Grant (CDBG) funds to non-profit public service organizations. Secured City Council approval for the federally required five-year CDBG Consolidated Plan and Annual Action Plans. Submitted Plans to US Department of



CITY OF MISSION VIEJO

2013-15 Department Accomplishments



Housing and Urban Development (HUD) within HUD-specified time frames.

- Processed 13 loans and 14 grants, totaling \$420,000, through the City's Housing Rehabilitation program.
- Worked with Water Conservation Ad Hoc Committee of the Planning and Transportation Commission, and the water districts serving the City of Mission Viejo, to prepare a Homeowner's Guide for Water Conservation, Drought-Tolerant Plants, and Artificial Turf.
- Conducted approximately 136 annual Water Quality-related inspections for the annual Jurisdictional Runoff Program reports for the San Diego Regional Water Quality Control Board.
- Updated the City's inventory and study of alcoholic beverage licenses.



CITY OF MISSION VIEJO
2015-17 Department Performance Measures
Community Development



Performance measures are designed to determine accountability, improve service quality, allocate resources and evaluate departmental performance in meeting Mission Viejo's goals and objectives.

Measure	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Projected
#/% of environmental reviews processed within State mandated periods	103/100%	100/100%	105/100%	110/100%
# of Discretionary permits fully processed	103	100	105	110
#/% of zoning plan checks approved within 72 hours	2,200/98%	2,300/98%	2,350/98%	2,300/98%
#/% of requested inspections completed within 24 hours	16,243/100%	14,500/100%	15,000/100%	14,000/100%
#/% of building permits issued within 24 hours of application	2,607/81%	2,800/85%	2,800/85%	2,500/85%
#/% of inquiries responded to within 24 hours	4,700/100%	4,750/100%	4,750/100%	4,750/100%
#/% of plan checks completed within 5 working days	400/80%	500/80%	500/85%	450/85%
#/% of solar and green building permits issued with expedited service (less that 5-day service)	367/100%	400/100%	450/100%	400/100%
#/% of new Code Enforcement cases investigated within 72 hours	1,764***/98%	1,440/98%	1,490/98%	1,490/98%
#/% of Code Enforcement cases resolved without City Attorney involvement	1,782***/99%	1,450/99%	1,500/99%	1,500/99%
# of Notification of Violations sent to property owner	453	600	650	650
# of cases closed within 30 days	1,552***	1,260	1,300	1,300
# of businesses participating in Business Showcase	77	59	59	59
% Sales Tax Leakage	13%*	15%**	14%	13%
# of Business Workshops Hosted in Mission Viejo	47	39	40	40
% Retail Only Sales Tax Leakage	8%*	5%**	4%	4%
# of grand openings/ribbon cuttings	29	30	30	30
# of new water quality cases investigated within 72 hours	85	90	100	100
# of Notice of Violation letters sent to property owners	6	7	7	7
# Housing Rehabilitation loans/grants processed	10	19	16	16
# Social Service Organizations funded	8	9	8	8
# Paint Program grants processed	5	10	8	8

*Based on 2011 taxable sales.

**Based on 2012 taxable sales.

***Includes right-of-way sign abatement not to be included in future projections/measures.



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**2015-2017 Budget
Program Area Summary
Community Development
Expenditures, All Funds: FY 2012/13 - FY 2016/17**

The Community Development Department administers all of the Community Development programs for the City. The department is structured around four divisions, which include the eight programs referenced in the following pages.

Community Development provides leadership in the administration of the City's land use policies, including zoning, building, subdivision and environmental regulations. It coordinates and administers activities and programs to provide orderly physical growth in the community. Program activities range from advance and current planning to permit inspection, code enforcement and economic development. Code Enforcement staff, in conjunction with the Public Works Department, also performs water quality compliance activities.

Community Development staff provides technical assistance and disseminates information to the Planning and Transportation Commission, developers, and to the public. Staff time to support the Planning and Transportation Commission is shown under the General Government-Legislative Program Area Summary.

Department Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Community Dev Administration	233,009	240,321	225,060	222,729	-1.0%	229,376	3.0%
Advance Planning	297,227	213,524	265,291	250,475	-5.6%	236,250	-5.7%
Current Planning	244,636	316,075	326,065	337,600	3.5%	347,541	2.9%
Building	1,051,323	1,186,206	1,226,084	1,330,800	8.5%	1,330,800	0.0%
Code Enforcement	257,645	279,690	255,694	210,592	-17.6%	241,244	14.6%
Economic Development	174,377	197,874	219,002	376,883	72.1%	381,266	1.2%
Water Quality - Community Development**	112,704	101,741	120,214	116,517	-3.1%	123,209	5.7%
Housing/Economic Opportunity	234,375	266,860	551,200	260,670	-52.7%	335,670	28.8%
Total Department Budget	2,605,296	2,802,291	3,188,610	3,106,266	-2.6%	3,225,356	3.8%

Department Expenditures by Category	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Salaries & wages	796,417	823,829	856,217	850,111	-0.7%	893,795	5.1%
Benefits	295,200	352,585	314,955	298,651	-5.2%	321,907	7.8%
Professional/Technical Contractual Svcs	1,253,161	1,281,310	1,384,513	1,425,500	3.0%	1,405,500	-1.4%
Maintenance/Repair Contractual Svcs	153	162	350	350	0.0%	350	0.0%
Supplies	2,432	5,447	7,935	5,025	-36.7%	5,025	0.0%
Utilities	-	660	-	1,700	100.0%	1,700	0.0%
Dues/Memberships/Subscriptions	5,670	11,431	13,515	13,660	1.1%	13,810	1.1%
Travel/Training/Meetings	2,666	1,465	7,675	10,849	41.4%	7,849	-27.7%
Other services/fees	5,513	50,250	45,250	55,750	23.2%	55,750	0.0%
Economic Development	-	-	-	160,000	100.0%	160,000	0.0%
Housing rehab loan program	176,419	206,422	488,500	200,000	-59.1%	275,000	37.5%
Contributions to agencies/organizations	67,665	68,730	69,700	67,670	-2.9%	67,670	0.0%
Capital outlay	-	-	-	17,000	100.0%	17,000	0.0%
Total Department Budget	2,605,296	2,802,291	3,188,610	3,106,266	-2.6%	3,225,356	3.8%

Funding Source	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	FY 2016/17 Adopted
General Fund	2,254,519	2,443,403	2,519,015	2,732,454	2,775,281
AQMD	45,151	50,398	45,000	45,000	45,000
CDBG	305,626	308,490	624,595	328,812	405,075
Total Department Budget	2,605,296	2,802,291	3,188,610	3,106,266	3,225,356

Personnel Summary	8.60	8.70	8.70	8.70	8.70
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**Additional expenditures to the Water Quality program can be found in the Public Works Department.



**2015-2017 Budget
Program Summary
Community Development-Administration**

Program Description:

The Administration program oversees the operations of the Current Planning, Advance Planning, Code Enforcement, building and Economic Development divisions. In addition to the coordination function, the Director of Community Development is responsible for advising the City Manager, Planning and Transportation Commission, and City Council on planning, building and code enforcement matters.

Category Expenditure Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Salaries & wages	143,883	140,612	118,787	136,097	14.6%	140,150	3.0%
Benefits	54,498	68,683	42,684	48,128	12.8%	50,572	5.1%
Professional/Technical Contractual Svcs	21,070	18,907	48,634	25,000	-48.6%	25,000	0.0%
Supplies	978	1,489	2,400	975	-59.4%	975	0.0%
Dues/Memberships/Subscriptions	1,188	993	1,255	1,105	-12.0%	1,255	13.6%
Travel/Training/Meetings	1,811	241	1,600	1,724	7.7%	1,724	0.0%
Other services/fees	2,356	2,396	2,700	2,700	0.0%	2,700	0.0%
Contributions to agencies/organizations	7,225	7,000	7,000	7,000	0.0%	7,000	0.0%
Total Program Budget	233,009	240,321	225,060	222,729	-1.0%	229,376	3.0%
Funding Source							
General Fund	161,758	198,691	151,665	154,587		159,971	
CDBG Fund	71,251	41,630	73,395	68,142		69,405	
Total Program Budget	233,009	240,321	225,060	222,729		229,376	
Personnel Summary	1.55	1.35	1.35	1.35		1.35	

Significant Changes and Other Notes:

Professional/Technical Contractual Services includes the CDBG general administration consulting contract.
Contributions to agencies/organizations includes the estimated contribution to the Fair Housing Foundation under the CDBG grant.



**2015-2017 Budget
Program Summary
Community Development-Advance Planning**

Program Description:

The Advance Planning program is responsible for forward and long range planning, special projects, environmental analysis and review, community development, and housing. Advance Planning processes General Plan Amendments as needed for certain development projects and zoning matters. General Plan Element updates are also processed as required by State and local law. Advance Planning works with regional agencies, such as the Air Quality Management District (AQMD), the Southern California Association of Governments (SCAG), the Center for Demographic Research, and the Orange County Council of Governments (OCCOG) on regional planning, demographic and socioeconomic issues. This program also works with the Local Agency Formation Commission (LAFCO) on regional and local sphere of influence studies and annexations. This program also oversees and conducts all environmental reviews and clearances.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	105,132	110,967	116,204	120,106	3.4%	123,709	3.0%
Benefits	35,363	41,808	42,302	41,874	-1.0%	44,046	5.2%
Professional/Technical Contractual Svcs	154,216	60,129	103,420	85,000	-17.8%	65,000	-23.5%
Supplies	9	214	100	100	0.0%	100	0.0%
Dues/Memberships/Subscriptions	19	40	690	820	18.8%	820	0.0%
Travel/Training/Meetings	319	167	1,775	1,775	0.0%	1,775	0.0%
Other services/fees	1,169	199	800	800	0.0%	800	0.0%
Contributions to agencies/organizations	1,000	-	-	-	0.0%	-	0.0%
Total Program Budget	297,227	213,524	265,291	250,475	-5.6%	236,250	-5.7%
Funding Source							
General Fund	252,076	163,126	220,291	205,475		191,250	
AQMD Fund	45,151	50,398	45,000	45,000		45,000	
Total Program Budget	297,227	213,524	265,291	250,475		236,250	
Personnel Summary	1.05	1.05	1.05	1.05		1.05	

Significant Changes and Other Notes:

Professional/Technical Contractual Services included all professional consulting services for preparation and amendment of all elements of the General Plan in FY 12/13. For FY 14/15, the amended budget includes funding for economic development advisory services for \$30,000. In addition, \$45,000 of this line item relates to AQMD state mandated studies, monitoring and reporting.



**2015-2017 Budget
Program Summary
Community Development-Current Planning**

Program Description:

The Current Planning Program is responsible for coordinating the implementation of development applications for compliance with appropriate regulations and policies. In addition, this program reviews and processes applications for discretionary approvals pertaining to planned development permits (PDP), conditional use permits (CUP), variances, subdivisions, architectural review, and other precise development plans.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	154,581	195,335	201,000	206,691	2.8%	212,892	3.0%
Benefits	59,617	94,697	75,065	73,219	-2.5%	76,959	5.1%
Professional/Technical Contractual Svcs	28,216	21,893	45,000	35,500	-21.1%	35,500	0.0%
Maintenance/Repair Contractual Svcs	153	162	350	350	0.0%	350	0.0%
Supplies	82	1,117	400	400	0.0%	400	0.0%
Dues/Memberships/Subscriptions	1,424	1,935	600	790	31.7%	790	0.0%
Travel/Training/Meetings	506	822	3,500	3,500	0.0%	3,500	0.0%
Other services/fees	57	114	150	150	0.0%	150	0.0%
Capital outlay	-	-	-	17,000	100.0%	17,000	0.0%
Total Program Budget	244,636	316,075	326,065	337,600	3.5%	347,541	2.9%
Funding Source							
General Fund	244,636	316,075	326,065	337,600		347,541	
Personnel Summary							
	1.70	1.95	1.95	1.95		1.95	

Significant Changes and Other Notes:

Professional/Technical Contractual Services reflects the cost of accepting credit card payments from the public.
Capital outlay includes the purchase and installation of one bus/transit shelter in each year for the Civic Core Area.



**2015-2017 Budget
Program Summary
Community Development-Building**

Program Description:

The Building program is responsible for the review of building plans, issuance of building permits, inspection of structures, and investigation of complaints relating to building code violations. Plan review includes new construction, additions, remodeling and tenant improvements for both commercial and residential construction. This program also determines occupancy classification for new buildings and for changes in existing buildings, and enforces Title 24 (State Amendments to Uniform Code) as it relates to disabled access requirements and energy.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Professional/Technical Contractual Svcs	1,048,595	1,180,283	1,187,459	1,277,600	7.6%	1,277,600	0.0%
Supplies	844	1,687	1,275	1,750	37.3%	1,750	0.0%
Dues/Memberships/Subscriptions	225	521	-	-	0.0%	-	0.0%
Other services/fees	1,659	3,715	37,350	51,450	37.8%	51,450	0.0%
Total Program Budget	1,051,323	1,186,206	1,226,084	1,330,800	8.5%	1,330,800	0.0%

Funding Source

General Fund	1,051,323	1,186,206	1,226,084	1,330,800		1,330,800	
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Personnel Summary

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Significant Changes and Other Notes:

Professional/Technical Contractual Services includes the contract with Charles Abbott and Associates (CAA) for inspection services. This contract is offset by revenues collected from building permit fees.

Other services/fees includes funding for a Public Works Technician through the CAA contact beginning in FY 14/15 due to the elimination of a city position.



**2015-2017 Budget
Program Summary
Community Development-Code Enforcement**

Program Description:

The Code Enforcement Division is responsible for the enforcement of the City's zoning regulations including property maintenance, signage, nonconforming uses and structures. The code enforcement officers respond to citizen complaints and pursue violations that are observed in the field.

Category Expenditure Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15		% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
			Amended Budget	FY 2015/16 Adopted			
Salaries & wages	185,861	169,395	180,579	148,782	-17.6%	169,635	14.0%
Benefits	69,937	65,311	68,815	55,985	-18.6%	65,784	17.5%
Professional/Technical Contractual Svcs	1,064	98	-	2,400	100.0%	2,400	0.0%
Supplies	447	261	1,900	800	-57.9%	800	0.0%
Utilities	-	660	-	1,700	0.0%	1,700	0.0%
Dues/Memberships/Subscriptions	225	225	250	225	-10.0%	225	0.0%
Travel/Training/Meetings	-	-	300	450	50.0%	450	0.0%
Other services/fees	111	43,740	3,850	250	-93.5%	250	0.0%
Capital outlay	-	-	-	-	100.0%	-	0.0%
Total Program Budget	257,645	279,690	255,694	210,592	-17.6%	241,244	14.6%
Funding Source							
General Fund	257,645	279,690	255,694	210,592		241,244	
Personnel Summary							
	2.30	2.20	2.20	2.20		2.20	

Significant Changes and Other Notes:

Other services/fees includes the processing of municipal fines. For FY 13/14 this category also included contracted services for Code Enforcement due to an employee five month leave of absence.



**2015-2017 Budget
Program Summary
Community Development-Economic Development**

Program Description:

The Economic Development Program encourages the retention and expansion of existing Mission Viejo businesses, and works to attract new business to the City. Other components of the Economic Development Program include promoting the community through development of relationships with businesses, property owners, developers, property managers and brokers. The City hosts a variety of special events and expos as a way to promote the City and attract new businesses. For example, the City hosts the Annual Business Showcase and the Business Roundtable. These events offer counseling services and entrepreneurial business opportunities with the Small Business Administration (SBA). The City also partners with the Orange County Small Business Development Council (OC SBDC), the Employment Development Department (EDD), and SCORE, "America's Counselors to Small Business," to provide a wide variety of low cost business workshops in Mission Viejo.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	125,120	135,899	152,524	153,549	0.7%	158,155	3.0%
Benefits	44,921	51,966	53,498	48,214	-9.9%	50,991	5.8%
Supplies	56	471	1,860	1,000	-46.2%	1,000	0.0%
Dues/Memberships/Subscriptions	2,589	7,717	10,720	10,720	0.0%	10,720	0.0%
Travel/Training/Meetings	30	235	-	3,000	100.0%	-	-100.0%
Other services/fees	161	86	400	400	0.0%	400	0.0%
Contributions to agencies/organizations	1,500	1,500	-	-	0.0%	-	0.0%
Economic Development	-	-	-	160,000	100.0%	160,000	0.0%
Total Program Budget	174,377	197,874	219,002	376,883	72.1%	381,266	1.2%
Funding Source							
General Fund	174,377	197,874	219,002	376,883		381,266	
Personnel Summary	1.00	1.15	1.15	1.15		1.15	

Significant Changes and Other Notes:

Dues/Memberships/Subscriptions includes annual membership fees for the Chamber of Commerce, Orange County Business Council and California Association for Local Economic Development.
Economic Development includes money for hiring of external consultants and for other economic development needs.



**2015-2017 Budget
Program Summary
Community Development-Water Quality**

Program Description:

In conjunction with the Public Works department, the Water Quality program is responsible for the enforcement of regional water quality regulations. Response procedures have been developed to react to citizen water quality complaints and to pursue violations observed in the field. The program also assists with the development of water quality educational materials and outreach.

Category Expenditure Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Salaries & wages	81,840	71,621	87,123	84,886	-2.6%	89,254	5.1%
Benefits	30,864	30,120	32,591	31,231	-4.2%	33,555	7.4%
Travel/Training/Meetings	-	-	500	400	-20.0%	400	0.0%
Total Program Budget	112,704	101,741	120,214	116,517	-3.1%	123,209	5.7%
Funding Source							
General Fund	112,704	101,741	120,214	116,517		123,209	
Personnel Summary							
	1.00	1.00	1.00	1.00		1.00	

Significant Changes and Other Notes:

None



**2015-2017 Budget
Program Summary
Community Development-Community Development Block Grant (CDBG)**

Program Description:

The purpose of this program is to administer the Federal Housing and Urban Development (HUD) Department's Community Development Block Grant Program (CDBG). The CDBG program is intended to improve the urban living and economic environment for elderly residents or low- and/or moderate-income residents.

Activities which are eligible for CDBG funding include housing rehabilitation programs, land acquisition for new housing construction, vocational training for persons with disabilities, and other programs that improve the living environment of persons of low- and/or moderate-income. The City arranges citizen participation meetings and begins processing application requests in December of each year in order to prepare the Annual Action Plan by May of the subsequent year. A Consolidated Plan, which identifies housing and community development needs and establishes funding priorities, is required by HUD every five years.

Category Expenditure Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Supplies	16	208	-	-	0.0%	-	0.0%
Housing rehab loan program	176,419	206,422	488,500	200,000	-59.1%	275,000	37.5%
Contributions to agencies/organizations	57,940	60,230	62,700	60,670	-3.2%	60,670	0.0%
Total Program Budget	234,375	266,860	551,200	260,670	-52.7%	335,670	28.8%
Funding Source							
CDBG Fund	234,375	266,860	551,200	260,670		335,670	
Personnel Summary							
	-	-	-	-		-	

Significant Changes and Other Notes:

None

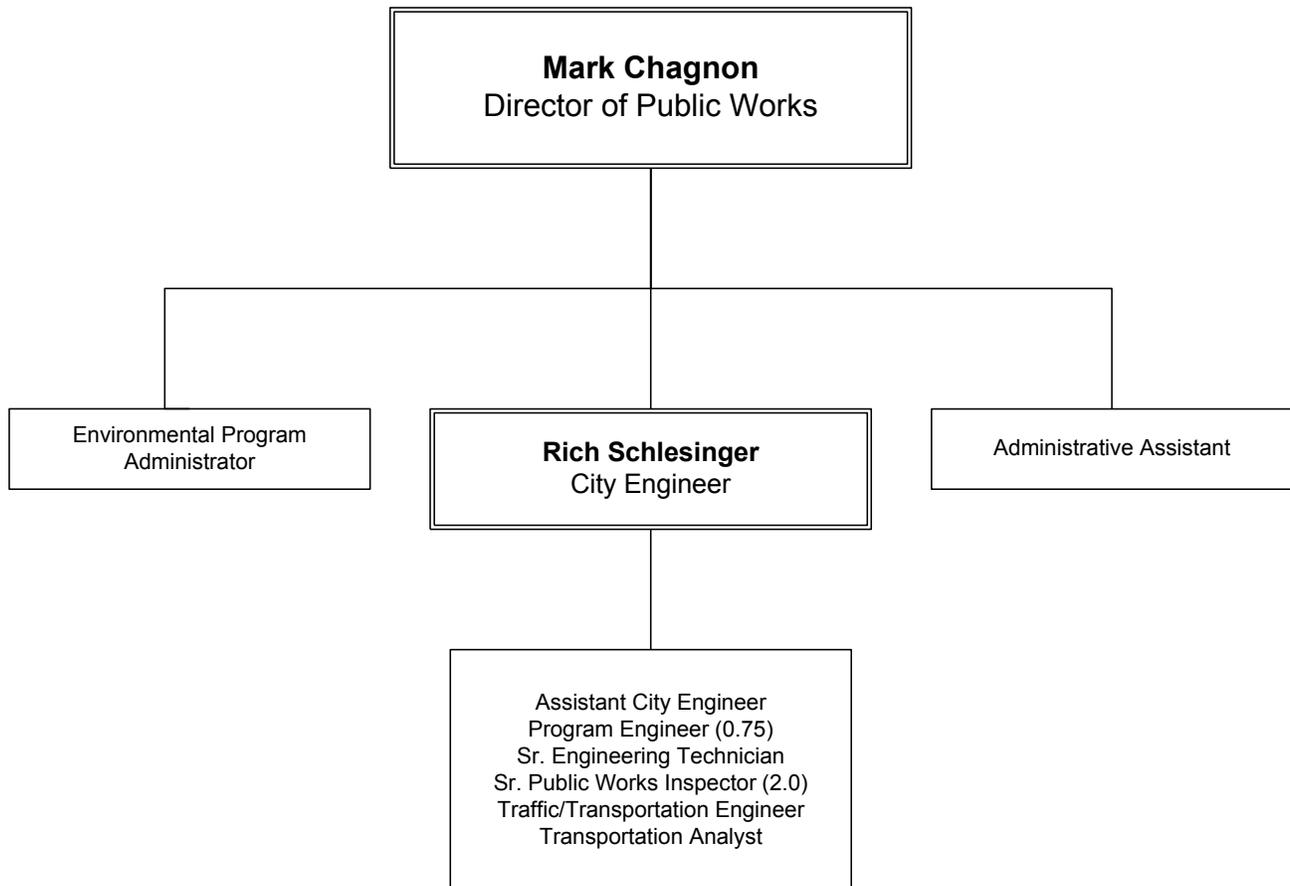


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CITY OF MISSION VIEJO
2015-17 Department Organizational Chart

PUBLIC WORKS DEPARTMENT
ENGINEERING AND TRANSPORTATION



Department Description:

The Public Works Department is responsible for the Engineering, Transportation, Integrated Waste Management, Water Quality, and Crossing Guard programs. This department reviews development proposals, manages capital improvement projects, oversees the City's entire transportation network, manages the City's solid waste contract and recycling programs, and implements environmental programs.



CITY OF MISSION VIEJO
2015-17 Department Objectives
Public Works

Strategic Goal(s)



Complete traffic capacity improvement projects to improve access to the business community, enhance aesthetics of the community, and improve the roadway system for residents, including:

- La Paz Bridge and Road Widening Improvements, which will provide an additional travel lane in each direction between Chrisanta and Muirlands, rehabilitate the existing bridges over the railroad tracks and enhance the appearance of the City's original entryway.
- Felipe/Oso Intersection Improvements, which will improve operational efficiency of traffic flow by adding and/or lengthening turn lanes.
- Oso/I-5 Northbound On-ramp Improvements, which will supplement the recent Oso Parkway Widening Improvements by widening the entrance to the northbound I-5 on-ramp to two lanes.



Complete traffic signal network improvement projects to improve traffic flow to the business and residential communities, including:

- Traffic Signal Synchronization Projects for Muirlands Boulevard, Jeronimo Road, Trabuco Road, Alicia Parkway and La Paz Road.
- Add five new traffic signal battery back-up systems to existing traffic signals in each of the next two fiscal years.
- Evaluate all traffic signals for potential improvements to left turn lane wait times in coordination with traffic signal synchronization projects.



Complete pavement rehabilitation of Marguerite Parkway from Trabuco to Santa Margarita and Trabuco Road from Marguerite to Los Alisos in continued effort of keeping well-maintained arterial roadways throughout the city.



Implement or modify water quality programs as necessary to comply with the terms and conditions of the new San Diego Regional Water Quality Control Board (SDRWQCB) Regional Municipal Separate Storm Sewer System (MS4) Permit.



Actively engage the business community to promote the City's new Green Business Certification Program as a tool for economic development by certifying 10 to 20 businesses in efforts to attract and retain new customers in the desirable Millennial demographic, which have been found to seek out businesses that implement green practices. Further, there is a growing demand from consumers in general for environmentally-friendly products and services, and by establishing a Green Business Program, the City will be well-positioned to attract these types of businesses.



Expand the City's food waste diversion program at local restaurants, grocery stores, and other businesses that have large volumes of food waste by adding 35 new businesses in an effort to reduce landfill waste and improve the City's overall diversion rate in compliance with existing and new state regulations.



Provide staff assistance and feedback to IT during the City's website redesign process to ensure that the website best serves the needs of citizens and other stakeholders while enhancing government transparency, citizen involvement, engagement and participation.



CITY OF MISSION VIEJO
2013-15 Department Accomplishments
Public Works



- Completed the following traffic capacity improvement projects:
 - Oso Parkway Widening - This \$5 million grant/developer-funded project provided an additional travel lane in each direction between Country Club Drive and I-5 to help reduce congestion in the vicinity of the freeway. The project also included more water-efficient irrigation systems and landscaping to enhance one of the City's designated scenic corridors.
 - Crown Valley Parkway Widening – This \$11 million joint project with Laguna Niguel provided an additional eastbound travel lane from Cabot Road across the I-5 bridge to the northbound freeway on-ramp and extended the designated southbound freeway entrance lane west to Forbes Road. The project was 50% grant-funded with the cities each contributing 25% of the project cost. Mission Viejo's share was paid for with Redevelopment Agency funds.
- Completed the following traffic signal network improvements:
 - Implemented traffic signal synchronization along the Los Alisos Boulevard, Oso Parkway, and Santa Margarita Parkway corridors as part of the Orange County Transportation Authority (OCTA) Measure M2-funded Project P Program.
 - Installed eleven new Battery Back-Up Systems (BBS) at various signalized intersections as part of the citywide effort to equip all traffic signals with BBS devices.
 - Used a federal grant to install sixty-five (65) emergency vehicle pre-emption (EVP) systems at signalized intersections city-wide to fulfill the Orange County Fire Authority (OCFA) master pre-emption list and equip all of the City's signals with EVP devices. EVP's provide for safer passage of emergency vehicles through intersections and help to reduce response times.
- Completed the pavement rehabilitation of Jeronimo Road (Los Alisos to Arbolitos) and Los Alisos Boulevard (I-5 to Santa Margarita).
- Developed a new Green Business Certification Program to assist local businesses in operating more sustainably in the areas of waste reduction, water efficiency and energy conservation. Procured a \$20,000 grant from the EPA to launch the program.
- Partnered with the Discovery Science Center to sponsor an environmental education program called the Eco Challenge for approximately 2,100 students. This innovative program, which is geared toward sixth grade science curriculum, reinforces the concepts of waste reduction, recycling, and pollution prevention through interactive classroom assemblies and a hands-on visit to Discovery Science Center.
- Hosted four home composting workshops to educate residents how to reduce waste sent to the landfill while creating organic fertilizer.
- Initiated a food waste diversion program at 14 local restaurants to reduce landfill waste and improve the City's diversion rate in compliance with state regulations.
- Developed a Comprehensive Load Reduction Plan (CLRP) for each of the City's watersheds to comply with the San Diego Regional Water Quality Control Board's (SDRWQCB) Total Maximum Daily Load (TMDL) requirements for storm drain system pollutant discharges.



CITY OF MISSION VIEJO
2015-17 Department Performance Measures
Public Works



Performance measures are designed to determine accountability, improve service quality, allocate resources and evaluate departmental performance in meeting Mission Viejo's goals and objectives. In this section, performance measures are presented by the City's major department and reflect operations of all City funds.

Measure	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Projected
Number of development applications/plan checks performed	110	88	85	85
Number of landscape plan checks performed	27	24	20	20
Number of grant applications submitted	5	3	5	5
Number of special events permit applications processed	51	66	50	50
Number of transportation permit applications processed	253	230	240	240
Number of encroachment permit applications processed	558	636	500	500
Inspection Revenue:				
• Development	\$302,775	\$73,100	\$73,000	\$73,000
• Encroachment	\$273,039	\$300,000	\$300,000	\$300,000
Number of construction BMPs inspected/verified for compliance with NPDES Permit	795	650	500	500
Number of intersections with battery back-up systems	86	92	94	96
Number of school and resident traffic improvement requests reviewed	25	25	25	25
Number of high priority commercial/industrial and restaurant/food facility sites inspected for water quality compliance	303	315	350	350
Number of water quality outreach events with staff participation	20	25	25	25
Annual City diversion/recycling rate (mandated minimum 50%)	66%	67%	68%	68%
Pounds of hazardous household waste (HHW) collected annually	20,547	22,500	22,000	22,000
Mission Viejo residential trash rate/county average	\$12.65 / \$16.64	\$12.79/ \$17.47	\$13.42 / \$18.34	\$14.10 / \$19.26



**2015-2017 Budget
Program Area Summary
Engineering and Transportation
Expenditures, All Funds: FY 2012/13 - FY 2016/17**

This program area is organized around the Administration, Engineering, and Transportation Divisions of the Public Works Department. These divisions oversee the programs listed below, as well as the Crossing Guard program which is housed in the Public Safety Program Area and the Integrated Waste Management program, which can be found in the General Government - Management and Support program area.

Engineering and Transportation is responsible for: reviewing development proposals and street improvement plans; managing the City's Capital Improvement Program (CIP); inspecting private development projects, City capital projects, and right-of-way encroachments; maintaining the City's Master Drainage program and flood control systems; overseeing water quality programs in conjunction with the Community Development Department; and managing the design, construction, and operation of the City's entire transportation network.

Engineering and Transportation staff also represents the City in various intergovernmental and regional agencies, such as the League of California Cities, the Orange County Transportation Authority (OCTA), and the Transportation Corridor Agencies (TCA).

<i>Department Summary</i>	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Administration	321,752	326,312	374,983	368,873	-1.6%	365,009	-1.0%
Engineering	291,779	508,904	366,403	363,127	-0.9%	300,686	-17.2%
Inspection	271,108	259,855	355,683	248,655	-30.1%	257,050	3.4%
Signal Maintenance	624,970	563,134	795,376	748,869	-5.8%	751,615	0.4%
Traffic Operations	144,117	144,554	211,388	169,975	-19.6%	173,508	2.1%
Traffic Safety	65,482	79,700	90,682	96,935	6.9%	99,681	2.8%
Transportation Planning	105,441	106,320	128,054	109,780	-14.3%	113,316	3.2%
Water Quality - Public Works	473,783	454,197	590,073	631,197	7.0%	639,539	1.3%
Total Department Budget	2,298,432	2,442,976	2,912,642	2,737,411	-6.0%	2,700,404	-1.4%

Department Expenditures by Category

Salaries & wages	971,048	976,922	1,031,330	1,027,325	-0.4%	1,057,847	3.0%
Benefits	355,469	371,086	382,099	352,856	-7.7%	371,252	5.2%
Professional/Technical Contractual Svcs	104,173	333,978	342,642	285,500	-16.7%	200,500	-29.8%
Maintenance/Repair Contractual Svcs	461,270	346,671	457,139	430,000	-5.9%	430,000	0.0%
Supplies	2,928	2,895	3,850	3,850	0.0%	3,850	0.0%
Utilities	97,704	100,975	90,000	130,000	44.4%	130,000	0.0%
Dues/Memberships/Subscriptions	3,317	3,501	4,075	4,525	11.0%	4,400	-2.8%
Travel/Training/Meetings	5,391	2,706	9,700	10,300	6.2%	9,500	-7.8%
Other services/fees	297,132	289,335	394,188	443,055	12.4%	443,055	0.0%
Contributions to agencies/organizations	-	400	-	-	0.0%	-	0.0%
Capital outlay	-	14,507	197,619	50,000	-74.7%	50,000	0.0%
Total Department Budget	2,298,432	2,442,976	2,912,642	2,737,411	-6.0%	2,700,404	-1.4%

Funding Source

General Fund	2,114,966	2,159,063	2,514,710	2,310,411		2,358,404
State Gas Tax Fund	183,466	264,868	388,152	412,000		342,000
Gas Tax 2107.5 Fund	-	20,221	9,780	15,000		-
AQMD Fund	-	1,739	-	-		-
Measure M GMA 9 Fund	-	(2,915)	-	-		-
Total Department Budget	2,298,432	2,442,976	2,912,642	2,737,411		2,700,404

Personnel Summary	10.175	10.175	9.750	9.750		9.750
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**2015-2017 Budget
Program Summary
Public Works-Administraton**

Program Description:

The Administration program has responsibility for central administration of the department's three divisions and ten programs. This program also serves as the representative for the City at regional governmental agencies such as the Orange County Transportation Authority (OCTA) and Transportation Corridor Agencies (TCA), and in professional organizations, such as the American Public Works Association, the American Society of Civil Engineers and the Institute of Transportation Engineers. Administration monitors and supports the passage of legislation that would increase funding for local infrastructure needs, improve environmental permitting requirements, and enable local governments to provide infrastructure maintenance and improvements for water quality and flood control facilities. Management of major capital projects, including concept planning, grant funding applications, budget development and monitoring, and project coordination (design, bidding, and construction) are also handled by this program.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	217,776	220,883	240,950	242,511	0.6%	249,786	3.0%
Benefits	77,320	82,237	85,152	83,662	-1.7%	88,047	5.2%
Professional/Technical Contractual Svcs	20,008	15,612	41,806	35,000	-16.3%	20,000	-42.9%
Supplies	1,141	1,391	1,700	1,700	0.0%	1,700	0.0%
Utilities	912	912	-	-	0.0%	-	0.0%
Dues/Memberships/Subscriptions	1,725	2,056	1,800	2,025	12.5%	1,900	-6.2%
Travel/Training/Meetings	1,488	1,522	1,600	2,000	25.0%	1,600	-20.0%
Other services/fees	1,382	1,299	1,975	1,975	0.0%	1,975	0.0%
Contributions to agencies/organizations	-	400	-	-	0.0%	-	0.0%
Total Program Budget	321,752	326,312	374,983	368,873	-1.6%	365,009	-1.0%
Funding Source							
General Fund	317,602	322,709	362,226	348,873		360,009	
State Gas Tax Fund	4,150	275	5,000	5,000		5,000	
Gax Tax 2107.5 Fund	-	6,243	7,757	15,000		-	
Measure M GMA 9 Fund	-	(2,915)	-	-		-	
Total Program Budget	321,752	326,312	374,983	368,873		365,009	
Personnel Summary	2.15	2.25	2.20	2.20		2.20	

Significant Changes and Other Notes:

Professional/Technical Contractual Services includes contracts for engineering consulting services, grant development assistance and Measure M program eligibility reporting assistance. The \$15,000 difference between FY 15/16 and 16/17 is due to the Pavement Management Update, which occurs every other year.



**2015-2017 Budget
Program Summary
Public Works-Engineering**

Program Description:

The Engineering program reviews development proposals, drainage plans, street improvement plans, grading plans, geotechnical reports, and landscape plans for conformance with all codes and ordinances adopted by the City or mandated by the State, as well as coordinates appropriate review by other agencies. In addition, it offers geotechnical and engineering support services for street and slope construction, maintenance projects and resident service requests. This program also has responsibility for conducting engineering inspections for residents with slope and/or drainage problems. Engineering also reviews and administers developer bonds and agreements, and encroachment, grading, and transportation permitting. The approval of tract maps, parcel maps, lot line adjustments, easements, and certificates of correction is also conducted by this program. Processing right-of-way acquisitions and abandonments, maintaining and updating the City's Geographical Information System (GIS) and updating the City's Pavement Management System are additional responsibilities of this program. Engineering provides support for FEMA funded repairs, administers the FEMA National Flood Insurance Program Community Rating System (which provides businesses and homeowners discounts on flood insurance), and provides staff support for the Orange County Transportation Agency (OCTA) and Transportation Corridor Agencies' (TCA) Technical Advisory Committees. It also serves as the staff liaison between the City and other agencies for multijurisdictional and externally controlled construction projects.

Category Expenditure Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Salaries & wages	177,277	173,747	172,751	165,543	-4.2%	170,510	3.0%
Benefits	64,078	66,215	65,255	55,684	-14.7%	58,676	5.4%
Professional/Technical Contractual Svcs	46,736	266,407	122,422	135,500	10.7%	65,500	-51.7%
Maintenance/Repair Contractual Svcs	-	608	-	-	0.0%	-	0.0%
Supplies	1,179	656	1,000	1,000	0.0%	1,000	0.0%
Dues/Memberships/Subscriptions	755	621	1,025	1,250	22.0%	1,250	0.0%
Travel/Training/Meetings	1,226	280	3,050	3,250	6.6%	2,850	-12.3%
Other services/fees	528	370	900	900	0.0%	900	0.0%
Total Program Budget	291,779	508,904	366,403	363,127	-0.9%	300,686	-17.2%
Funding Source							
General Fund	291,779	485,226	364,380	293,127		300,686	
State Gas Tax Fund	-	9,700	-	70,000		-	
Gas Tax 2107.5 Fund	-	13,978	2,023	-		-	
Total Program Budget	291,779	508,904	366,403	363,127		300,686	
Personnel Summary	1.90	1.825	1.550	1.550		1.550	

Significant Changes and Other Notes:

Professional/Technical Contractual Services includes contracts for improvement, erosion control and landscape plan checks geotechnical services and pavement management program assessment services. These costs are offset by fees collected specifically for these services.



**2015-2017 Budget
Program Summary
Public Works-Inspection**

Program Description:

This program provides inspection services for development projects, encroachment permits, haul routes, and capital improvement projects to ensure compliance with City-approved plans, specifications, and regulations, including all grading activities and the construction of roads, bridges, storm drains, traffic systems, landscape improvement projects, and commercial and residential development projects. The Inspection program also assists in the development of the project scope of work for slurry seal, concrete, arterial resurfacing and the biennial update of the Pavement Management Program as required by Measure M and Proposition 111. This program inspects all grading, capital projects, and encroachment permits to ensure compliance with the City's Water Quality Ordinance and the San Diego Regional Water Quality Control Board's (SDRWQCB) Permit. This program is supported by fees charged to developers, property owners, utilities, and by certain funds within the Capital Improvement Program (CIP).

This program also reviews encroachment and haul route permit applications and development plan submittals for constructability; provides inspection services for special projects such as emergency repairs and water quality violations on an as needed basis; and serves as construction manager for certain capital improvement projects.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	192,143	184,120	181,106	184,588	1.9%	189,826	2.8%
Benefits	78,667	75,235	74,242	62,567	-15.7%	65,724	5.0%
Supplies	298	500	750	750	0.0%	750	0.0%
Travel/Training/Meetings	-	-	750	750	0.0%	750	0.0%
Capital outlay	-	-	98,835	-	100.0%	-	0.0%
Total Program Budget	271,108	259,855	355,683	248,655	-30.1%	257,050	3.4%
Funding Source							
General Fund	271,108	259,855	355,683	248,655		257,050	
Total Program Budget	271,108	259,855	355,683	248,655		257,050	
Personnel Summary	1.85	1.80	1.85	1.85		1.85	

Significant Changes and Other Notes:

Capital outlay for FY 2014/15 included the replacement of two Inspector trucks.



**2015-2017 Budget
Program Summary
Public Works-Signal Maintenance**

Program Description:

The Signal Maintenance program is responsible for coordinating and reviewing the annual operation, repair and upgrade of traffic signal equipment, including the payment of monthly electricity service bills and the administration of routine and extraordinary maintenance service contracts. This program also monitors annual operation and repair of traffic signal equipment provided through joint-agency cooperative agreements.

Category Expenditure Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Salaries & wages	46,829	52,004	55,357	57,116	3.2%	58,830	3.0%
Benefits	17,925	20,946	21,628	21,753	0.6%	22,785	4.7%
Professional/Technical Contractual Svcs	134	12,532	72,468	60,000	-17.2%	60,000	0.0%
Maintenance/Repair Contractual Svcs	461,270	346,063	457,139	430,000	-5.9%	430,000	0.0%
Utilities	96,792	100,063	90,000	130,000	44.4%	130,000	0.0%
Other services/fees	2,020	17,019	-	-	0.0%	-	0.0%
Capital outlay	-	14,507	98,784	50,000	-49.4%	50,000	0.0%
Total Program Budget	624,970	563,134	795,376	748,869	-5.8%	751,615	0.4%

Funding Source

General Fund	505,004	354,448	512,124	486,869		489,615
State Gas Tax Fund	119,966	208,686	283,252	262,000		262,000
Total Program Budget	624,970	563,134	795,376	748,869		751,615

Personnel Summary	0.65	0.70	0.70	0.70		0.70
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Significant Changes and Other Notes:

Professional/Technical and Contractual Services includes services to address traffic signal timing and coordination issues and diagnosing and repairing problems with the City's fiber-optic communications network.

Maintenance/Repair Contractual Services includes routine and on call traffic signal maintenance and repair service at 114 intersections, 427 safety lights and 400 illuminated street name signs.

Capital Outlay includes funding for new and replacement battery back-up system for City traffic signals.



**2015-2017 Budget
Program Summary
Public Works-Traffic Operations**

Program Description:

This program plans, implements and operates the citywide, regionally integrated traffic signal system. Traffic Operations monitors traffic flow patterns to determine the traffic control devices needed at signalized intersections, using traffic volume counts, turn movements at critical intersections, pedestrian counts, and speed surveys. This program collects and publishes – on an annual basis – arterial street traffic volume maps for the City. The implementation and management of the Intelligent Transportation System (ITS) falls within this program’s purview.

Traffic Operations also prepares an annual review of unsignalized intersections to determine the need for new traffic signals and investigates and addresses citizen inquiries on circulation and traffic operation problems to identify and implement corrective measures.

Reviewing and monitoring signing and striping, maintaining or replacing traffic control devices, reviewing construction, detour, and striping plans for capital projects, and reviewing encroachment, parking, special event, and transportation permits to ensure compliance with adopted City standards and policies are all responsibilities of the Traffic Operations program.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	62,418	66,349	73,058	73,432	0.5%	75,636	3.0%
Benefits	22,349	25,520	27,305	26,543	-2.8%	27,872	5.0%
Professional/Technical Contractual Svcs	24,425	12,409	54,892	20,000	-63.6%	20,000	0.0%
Other services/fees	34,925	40,276	56,133	50,000	-10.9%	50,000	0.0%
Total Program Budget	144,117	144,554	211,388	169,975	-19.6%	173,508	2.1%
Funding Source							
General Fund	84,767	96,608	111,488	104,975		108,508	
State Gas Tax Fund	59,350	46,207	99,900	65,000		65,000	
AQMD Fund	-	1,739	-	-		-	
Total Program Budget	144,117	144,554	211,388	169,975		173,508	
Personnel Summary	0.80	0.80	0.80	0.80		0.80	

Significant Changes and Other Notes:

Under Professional/Technical Contractual Services, unspent funds in prior years has been carried over to FY 14/15 resulting in a significantly higher amended budget. This expenditure category includes contracts for annual traffic flow monitoring. Other services/fees includes Mission Viejo's 50% share of the maintenance of the LN/MV Metrolink Rail Station.



**2015-2017 Budget
Program Summary
Public Works-Traffic Safety**

Program Description:

Traffic Safety administers the Mission Viejo Accident Information System in cooperation with the Orange County Sheriff's Department. This program also monitors and analyzes reported traffic accidents to identify possible accident patterns or trends. Once these patterns or trends are identified, this program determines possible corrective measures or safety improvements to reduce accidents and improve highway safety.

This program also evaluates traffic counts, turn movement counts, radar surveys, parking studies and other field investigations for use in safety and other traffic analyses; investigates citizen requests for neighborhood traffic and other traffic safety issues; evaluates traffic circulation at various schools and/or bus stop locations; monitors the vehicular speeds at speed feedback sign locations; and responds to requests relating to vehicular, bicycle, pedestrian, and school crossing guard activities. The Traffic Safety program also provides an annual safety report, including accident trend analyses and recommended corrective measures, to the Planning and Transportation Commission.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	44,033	50,879	56,816	57,071	0.4%	58,784	3.0%
Benefits	14,729	18,821	20,586	19,864	-3.5%	20,897	5.2%
Professional/Technical Contractual Svcs	6,720	10,000	13,280	20,000	50.6%	20,000	0.0%
Total Program Budget	65,482	79,700	90,682	96,935	6.9%	99,681	2.8%
Funding Source							
General Fund	65,482	79,700	90,682	86,935		89,681	
State Gas Tax Fund	-	-	-	10,000		10,000	
Total Program Budget	65,482	79,700	90,682	96,935		99,681	
Personnel Summary	0.50	0.55	0.55	0.55		0.55	

Significant Changes and Other Notes:

Professional/Technical Contractual Services includes consultant services for school circulation studies.



**2015-2017 Budget
Program Summary
Public Works-Transportation Planning**

Program Description:

The Transportation Planning program reviews and makes recommendations on public and private development plans to ensure their consistency with sound transportation planning and traffic engineering principles. These activities include the review of environmental documents prepared by adjacent communities to assess potential transportation impacts on the City of Mission Viejo. This program also reviews and makes recommendations on alternative transportation strategies that can complement and enhance highway infrastructure improvements, including rail planning, transit and rideshare strategies, and provides technical support to transportation management associations and employers. Local, State, and Federal legislative actions are analyzed by this program to determine their effect on funding assistance programs. Transportation Planning also prepares applications for all applicable grant programs.

In addition, this program helps coordinate transportation planning on a regional scale with other agencies; provides technical support and analysis for the transportation studies and transportation-related issues associated with the development of the City's General Plan; monitors activities of the Orange County Transportation Authority (OCTA), attends monthly Technical Advisory Committee (TAC) meetings, and participating in other special technical advisory groups such as the Traffic Signal Roundtable; and conducts special studies as directed by City Council.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	76,847	73,046	82,416	73,550	-10.8%	75,756	3.0%
Benefits	26,590	26,606	29,993	24,980	-16.7%	26,310	5.3%
Professional/Technical Contractual Svcs	-	5,247	11,895	7,500	-36.9%	7,500	0.0%
Supplies	136	65	400	400	0.0%	400	0.0%
Dues/Memberships/Subscriptions	837	824	1,250	1,250	0.0%	1,250	0.0%
Travel/Training/Meetings	1,031	532	2,000	2,000	0.0%	2,000	0.0%
Other services/fees	-	-	100	100	0.0%	100	0.0%
Total Program Budget	105,441	106,320	128,054	109,780	-14.3%	113,316	3.2%

Funding Source

General Fund	105,441	106,320	128,054	109,780		113,316
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Personnel Summary

	0.825	0.750	0.600	0.600		0.600
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Significant Changes and Other Notes:

None



**2015-2017 Budget
Program Summary
Public Works-Water Quality**

Program Description:

The Water Quality program ensures compliance with the National Pollutant Discharge Elimination System (NPDES) permit issued by the San Diego Regional Water Quality Control Board (SDRWQCB). This program prepares regular reports documenting the effectiveness of the City's water quality program and associated costs; reviews all new development and redevelopment proposals, construction plans, and Water Quality Management Plans and prepares conditions; provides program and educational information and performs inspections of all industrial, commercial, and restaurant/food facilities and homeowner associations to ensure compliance with the permit; and provides training to City staff and inspects municipal facilities for compliance.

This program also maintains required inventories of all commercial and industrial facilities, City facilities and field programs, and all construction projects; investigates sources of pollution and enforces all violations of the City's Water Quality Ordinance and/or NPDES Permit; and evaluates and implements Best Management Practices such as catch basin filters and erosion control measures.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	153,725	155,894	168,876	173,514	2.7%	178,719	3.0%
Benefits	53,811	55,506	57,938	57,803	-0.2%	60,940	5.4%
Professional/Technical Contractual Svcs	6,150	11,771	25,879	7,500	-71.0%	7,500	0.0%
Supplies	174	283	-	-	0.0%	-	0.0%
Rents	-	-	-	-	0.0%	-	0.0%
Travel/Training/Meetings	1,646	372	2,300	2,300	0.0%	2,300	0.0%
Other services/fees	258,277	230,371	335,080	390,080	16.4%	390,080	0.0%
Contributions to agencies/organizations	-	-	-	-	0.0%	-	0.0%
Total Program Budget	473,783	454,197	590,073	631,197	7.0%	639,539	1.3%
Funding Source							
General Fund	473,783	454,197	590,073	631,197		639,539	
Personnel Summary							
	1.50	1.50	1.50	1.50		1.50	

Significant Changes and Other Notes:

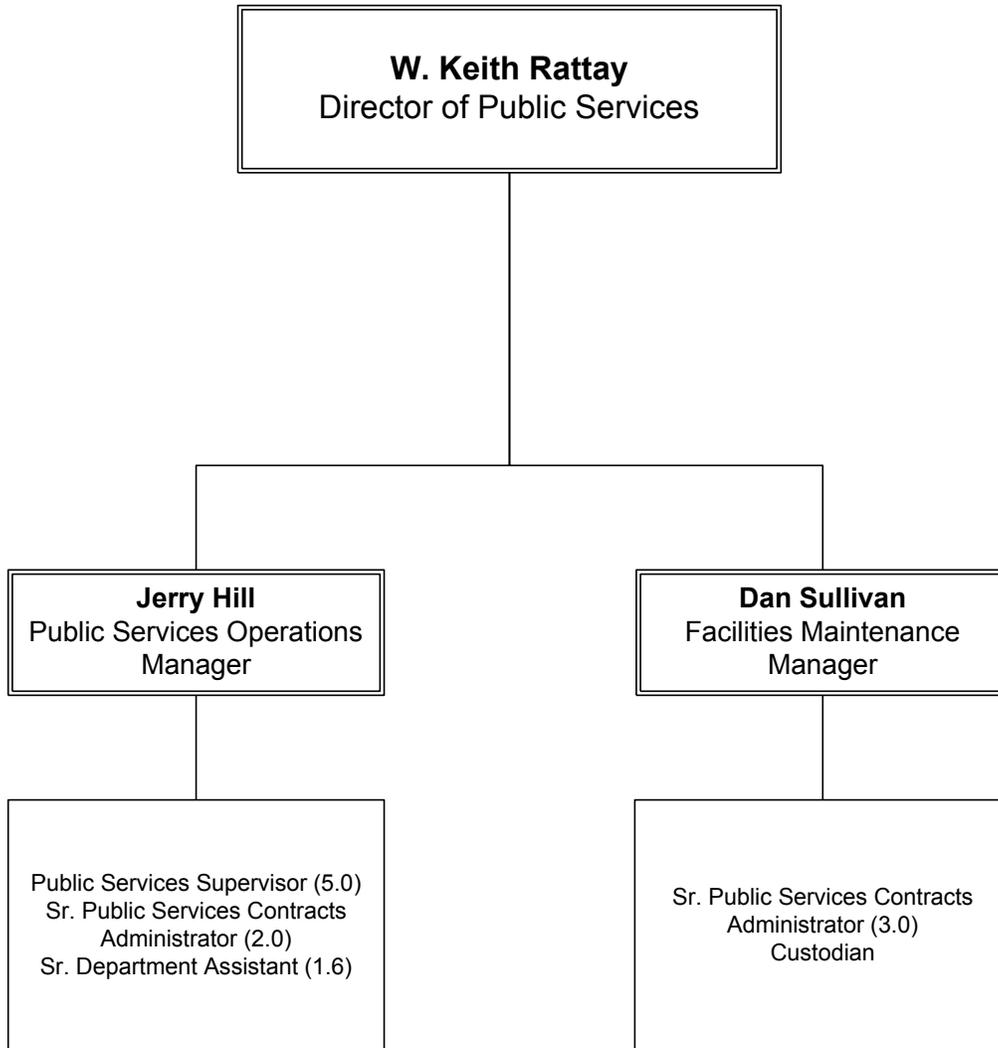
Other services/fees include the annual mandatory cost-share for the NPDES permit, San Juan Creek Watershed Agreement, South Orange County Integrated Regional Water Management Group (IRWMG), State Water Resources Control Board Waste Discharge Requirement (WDR) permit, and the Water Quality Ordinance Implementation Agreement. A portion of these costs are considered to be an unfunded state mandate currently under appeal with the State Mandate Board.



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PUBLIC SERVICES DEPARTMENT INFRASTRUCTURE MAINTENANCE



Department Description:

The Public Services Department is responsible for the Infrastructure Maintenance program area as well as several programs in the Public Safety program area (e.g., Animal Services, Emergency Preparedness, and Police Services). This department oversees the upkeep of public buildings, streets, landscape right-of-ways, storm drains, striping, and the urban forest. Some of its major activities include street repairs and street sweeping, weed abatement, graffiti removal, fleet maintenance, park maintenance, tree trimming, building maintenance, storm drain maintenance, and street striping.



CITY OF MISSION VIEJO
2015-17 Department Objectives
Public Services Infrastructure Maintenance



Strategic Goal(s)



Rehabilitate Eldorado Park and Cordova Park Playground areas to maintain, preserve and enhance city park facilities, as well as upgrading facilities to meet current state and federal safety guidelines and standards.



Design and build a restroom at Pavion Park based on the Park Restroom Master Plan, input by the public and the Community Services Commission and final approval of scope of work by the City Council; and design and build a second park restroom at a location to be determined after consideration and recommendation by the Community Services Commission and approval of scope of work by the City Council.



Upon final approval of a Marguerite Aquatics Complex rehabilitation option by the City Council, refine the scope of work and prepare the working drawings for a target construction start date of late August, immediately following the 2016 Summer Olympics.



In an effort to meet state-wide drought mandates, provide recommendations and options to more efficiently manage the city's domestic irrigation water usage; reduce turf; and install efficient irrigation and drought tolerant plant material throughout city landscaped areas. Staff will apply for rebates and grant funds to supplement resources for implementation of recommendations and options and will provide leadership and guidance to the residential and commercial communities of Mission Viejo to further support water conservation efforts. Efforts will include the rehabilitation of the median on Marguerite Parkway from Alicia Parkway to La Barca.



In collaboration with the Community Development Department, provide streamlined and efficient support during the building permit process to encourage business relocation to the city and revitalization of business centers within the community.



Support resource conservation and promote environmental quality by reducing long-term energy consumption at the Library, City Hall and Community Center facilities by actively monitoring HVAC systems and hours of lighting and installing LED lighting in city facilities, where applicable.



Upon completion of the Montanoso Recreation Center Restroom rehabilitation, paint the exterior of the entire facility to further enhance the overall aesthetics of this newly renovated facility.



Provide staff assistance and feedback to IT during the City's website redesign process to ensure that the website best serves the needs of citizens and other stakeholders while enhancing government transparency, citizen involvement, engagement and participation



CITY OF MISSION VIEJO
2013-15 Department Accomplishments
Public Services Infrastructure Maintenance



- Performed annual landscape inspections on commercial properties to ensure that basic landscape standards were being met and that property owners continue to improve the environment around their properties.
- Conducted visits and prepared the Annual Municipal Fixed Facility Inventory Report, in conjunction with the Public Works Department in support of the water quality program.
- Continued to conduct annual meetings with Casta del Sol Golf Course and the Mission Viejo Country Club Golf Course and Homeowner Association to resolve resident complaints regarding perimeter landscape maintenance and continued weed abatement issues.
- Applied and secured alternative funding, including grants and rebates, to supplement resources for the rehabilitation of median islands on Marguerite Parkway from Via Floreecer to Trabuco and from Trabuco to Alicia Parkway, in a continued effort to reduce water consumption.
- Completed the final phase of the Marguerite Parkway slope rehabilitation.
- Replaced incandescent holiday lighting in La Paz Road medians with energy efficient Light Emitting Diode (LED) light stands; and replaced all lighting along the Civic Center entry drive with energy efficient LED Lights.
- Expanded the use of recycled water by converting Aurora Park to recycled water usage for irrigation purposes.
- Coordinated volunteer projects with the Boy Scouts of America and other local non-profit groups and organizations with a focus on landscape rehabilitation projects throughout the city, including several project at the La Paws Dog Park. A total of eight acres were rehabilitated over the two year budget period.
- Distributed "Operation Clean Street" courtesy notices to vehicles parked on streets on designated sweep days, focusing on problematic areas in the City. Increased awareness of programing through quarterly articles; MVTV & blog pieces.
- Repaired and slurry sealed parking lots at Florence Joyner Olympiad Park and Alicia Park, and asphalt walking trails along Oso Trail from the Marguerite Parkway Trail Head to Arbolitos Road.
- Updated City tree inventory to include tree additions and deletions resulting from landscape rehabilitation and tree failures.
- Completed Certification to qualify for and maintain "Tree City USA" designation.
- Conducted Earth Day/Arbor Day Celebrations and community volunteer landscape planting activities along Avery Parkway in 2014 and along Mustang Run and Los Alisos Boulevard in 2015.
- Updated the City's website in order to focus on public education of optimum tree health, and provided information regarding tree selection and maintenance.
- Managed the expansion of the Animal Service Center Cattery, which opened to the public in October 2014.
- Managed the renovation of the Montanoso Recreation Center Locker Room, increasing total size of locker rooms from 700 to 1,400 sq.ft., making them more handicap accessible and separating showers and changing areas from restroom facilities. The new facilities were opened to the public in June 2015.
- Managed and completed the renovations to the public restrooms, kitchen/medication and food prep room at the Mission Viejo Animal Service Center Building.



CITY OF MISSION VIEJO
2015-17 Department Performance Measures
Public Services Infrastructure Maintenance



Performance measures are designed to determine accountability, improve service quality, allocate resources and evaluate departmental performance in meeting Mission Viejo's goals and objectives.

Measure	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Projected
% / # of hours per week spent coordinating review of private development site improvements	50% / 20	50% / 20	50% / 20	50% / 20
# of annual commercial landscape inspections	5	4	5	4
Average # of parcels inspected for weeds annually	300	300	300	300
# of parcels weed abated	2	2	0	0
# of after-hours calls/emails received/ average # requiring emergency response	1,050 / 300	1,075 / 305	1,100 / 310	1,090 / 300
# of responses to graffiti removal calls within 24 hours	1,200	1,200	1,200	1,200
#/% of miles of open channels cleaned and cleared of debris and vegetation	5 / 75%	5 / 75%	5 / 75%	5 / 75%
# of repairs performed on damaged open channels	6	6	4	4
#/% of catch basins, inlets and parkway culverts inspected	2,000/100%	2,000/100%	2,000/100%	2,000/100%
# /% of catch basins, inlets and parkway culverts cleaned and cleared of debris and vegetation	300 / 15%	300 / 15%	300 / 15%	300 / 15%
# / % of building service requests completed within 5 days	3,650 / 95%	3,360 / 95%	3,748 / 95%	3,800 / 95%
# of room setups (at all building facilities)	2,750	2,775	2,800	2,850
# of large scale special events and weekly City Program set ups	54	54	55	56
Average age (in years) of fleet	8	8	8	9
Average # of miles per vehicle	60,000	55,000	56,000	47,600
% of CNG vehicles in fleet	50%	50%	40%	40%
% of medians/slopes irrigated with reclaimed water	80%	82%	85%	85%
# of medians/parkways landscape service requests responded to within two weeks ¹	150	150	150	150
# of acres of landscape renovated ²	7	8	7	8
% of parks irrigated with reclaimed water	80%	82%	80%	92%
% of parks / playgrounds upgraded to comply with AB 1055 standards ³	55%	55%	55%	55%
# of park landscape / # of park amenity services requests resolved within two weeks	30 / 250	30 / 250	30 / 250	30 / 250
# of sports field usage permits issued	550	550	550	550
# of special sports tournaments/clinics supported by Public Services Operations staff	20	20	20	20
# of volunteer hours coordinated by the Public Services Operations Division ⁴	9,000	9,600	9,600	9,600
# of hours of special events support requiring site logistics, setup, take down and traffic control	4,300	4,300	4,350	4,350
% of potholes repaired within 5 days of notification	100%	100%	100%	100%
# of signs replaced/added/changed	1,151	888	900	900
# / % of street, curb and sidewalk repairs completed within 30 days	300 / 90%	300 / 90%	300 / 90%	300 / 90%
# of miscellaneous water problems (i.e., groundwater seepage) resolved ⁵	4	4	4	4
# of street sweeping courtesy notices distributed to cars parked on street sweeping day	200	275	257	275
% of total City trees trimmed annually	20%	20%	20%	20%
# of trees replaced within the City through reforestation ⁶	300	300	300	300
# of tree-related service requests addressed within two weeks	50	50	50	50

¹ Examples include trimming trees, replacing plant material, replacing irrigation systems, adding plant material, etc. Staff anticipates that as additional slopes are rehabilitated requests for service will continue to decline.

² Number of acres based on renovated slopes and medians; numbers assume available funding.

³ State Assembly Bill AB1055 requires park playground areas to abide by State and Federal accessibility guidelines.

⁴ Volunteers provide assistance with landscape beautification efforts, fencing installation, debris removal from drainage creeks, and birdhouse installations for the blue bird restoration program.

⁵ This measure fluctuates based on actual water problems identified in the field and the ultimate cost to remediate.

⁶ The number of tree replacements assumes funding of ongoing median island and slope renovations along Marguerite Parkway and Alicia Parkway.



**2015-2017 Budget
Program Area Summary
Infrastructure Maintenance
Expenditures, All Funds: FY 2012/13 - FY 2016/17**

<i>Department Summary</i>	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Administration	263,102	297,495	290,610	294,451	1.3%	304,545	3.4%
Environmental Maintenance	648,281	702,710	669,359	686,768	2.6%	694,127	1.1%
Facilities Maintenance	500,271	504,017	639,028	571,224	-10.6%	583,092	2.1%
Facilities Maintenance-Library	481,747	480,823	542,059	529,742	-2.3%	538,797	1.7%
Facilities Maint-Recreation Ctrs	509,467	443,799	535,457	525,241	-1.9%	518,651	-1.3%
Fac Maint-Aqua/NPM/Ptki/Meind	862,921	835,194	952,103	906,179	-4.8%	899,681	-0.7%
Fleet Maintenance	196,554	175,113	186,907	199,861	6.9%	202,163	1.2%
Medians and Parkways Maint	2,762,641	2,584,312	2,545,386	2,722,292	7.0%	2,729,735	0.3%
Parks Maintenance	5,759,748	5,798,103	5,963,022	6,603,523	10.7%	6,600,796	0.0%
Street Maintenance	2,227,317	2,287,612	2,296,404	2,192,136	-4.5%	2,209,957	0.8%
Urban Forestry	702,833	672,099	674,155	674,813	0.1%	676,929	0.3%
Total Department Budget	14,914,882	14,781,277	15,294,490	15,906,230	4.0%	15,958,473	0.3%

Department Expenditures by Category

Salaries & wages	1,517,242	1,599,883	1,601,387	1,632,506	1.9%	1,676,292	2.7%
Benefits	557,919	623,910	634,541	555,250	-12.5%	581,648	4.8%
Professional/Technical Contractual Svcs	233,644	222,841	201,900	247,000	22.3%	239,000	-3.2%
Maintenance/Repair Contractual Svcs	8,317,424	7,808,688	8,068,398	8,953,553	11.0%	8,927,678	-0.3%
Supplies	940,299	847,255	1,015,780	941,755	-7.3%	945,188	0.4%
Insurance	-	850	-	-	0.0%	-	0.0%
Rents	91,268	85,336	82,575	89,275	8.1%	89,775	0.6%
Utilities	2,253,510	2,399,640	2,482,547	2,443,517	-1.6%	2,453,517	0.4%
Dues/Memberships/Subscriptions	4,044	2,995	3,735	6,325	69.3%	6,325	0.0%
Travel/Training/Meetings	3,543	3,355	5,300	5,300	0.0%	5,300	0.0%
Other services/fees	980,571	1,044,000	1,039,491	1,031,750	-0.7%	1,033,750	0.2%
Contributions to agencies/organizations	6,300	800	-	-	0.0%	-	0.0%
Capital outlay	9,118	141,724	158,836	-	-100.0%	-	0.0%
Total Department Budget	14,914,882	14,781,277	15,294,490	15,906,230	4.0%	15,958,473	0.3%

Funding Source

General Fund	12,810,979	14,224,350	14,618,073	15,301,360		15,347,603
CEFV Replacement Fund	-	22,600	-	-		-
Facility R&R Fund	-	-	-	-		-
OCTA Exchange Fund	1,539,624	-	-	-		-
Library Fund	335,591	323,702	386,666	362,810		367,810
State Gas Tax Fund	-	-	-	-		-
MVTV Fund	30,319	32,173	35,715	35,715		35,715
Animal Services Fund	198,369	178,452	254,036	206,345		207,345
Total Department Budget	14,914,882	14,781,277	15,294,490	15,906,230		15,958,473

Personnel Summary	16.45	16.75	17.35	16.35		16.35
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**2015-2017 Budget
Program Summary
Public Services-Administration**

Program Description:

The Public Services Department is responsible for the Infrastructure Maintenance program area as well as several programs in the Public Safety program area (e.g., Animal Services, Emergency Preparedness, and Police Services). This department oversees the upkeep of public buildings, streets, landscape right-of-ways, storm drains, striping, and the urban forest. Some of its major activities include street repairs and street sweeping, weed abatement, graffiti removal, fleet maintenance, park maintenance, tree trimming, building maintenance, storm drain maintenance, and street striping.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	171,655	202,938	203,523	209,938	3.2%	216,236	3.0%
Benefits	80,517	81,129	80,537	75,613	-6.1%	79,409	5.0%
Maintenance/Repair Contractual Svcs	2,976	3,667	1,600	3,600	125.0%	3,600	0.0%
Supplies	668	2,692	300	300	0.0%	300	0.0%
Insurance	-	850	-	-	0.0%	-	0.0%
Dues/Memberships/Subscriptions	2,463	592	550	2,400	336.4%	2,400	0.0%
Travel/Training/Meetings	1,177	1,203	1,000	1,000	0.0%	1,000	0.0%
Other services/fees	3,146	4,424	3,100	1,600	-48.4%	1,600	0.0%
Contributions to agencies/organizations	500	-	-	-	0.0%	-	0.0%
Total Program Budget	263,102	297,495	290,610	294,451	1.3%	304,545	3.4%
Funding Source							
General Fund	263,102	297,495	290,610	294,451		304,545	
Personnel Summary	0.90	1.60	1.60	1.60		1.60	

Significant Changes and Other Notes:

None



**2015-2017 Budget
Program Summary
Public Services-Environmental Maintenance**

Program Description:

The Environmental Maintenance program administers the annual weed abatement program for vacant properties within the City; monitors and responds to emergency storm conditions such as street flooding, downed trees, and debris removal requests; removes graffiti from public facilities and applies anti-graffiti coatings to selected surfaces citywide; and provides staff support and assistance in hazardous waste activities. Additionally, this program monitors yearly erosion control devices on all City property during the winter season and monitors the County contract for road striping, signage, storm channel and drain inlet maintenance.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	50,131	37,960	50,732	51,845	2.2%	53,317	2.8%
Benefits	18,151	14,990	21,352	20,273	-5.1%	21,160	4.4%
Professional/Technical Contractual Svcs	3,500	1,185	5,000	5,000	0.0%	5,000	0.0%
Maintenance/Repair Contractual Svcs	205,046	215,085	150,500	168,500	12.0%	173,500	3.0%
Supplies	150	68	150	150	0.0%	150	0.0%
Other services/fees	371,303	433,422	441,625	441,000	-0.1%	441,000	0.0%
Total Program Budget	648,281	702,710	669,359	686,768	2.6%	694,127	1.1%
Funding Source							
General Fund	648,281	702,710	669,359	686,768		694,127	
Personnel Summary							
	0.65	0.65	0.65	0.65		0.65	

Significant Changes and Other Notes:

Maintenance/Repair Contractual Services includes weed abatement, graffiti removal and storm drain maintenance. FY 12/13 and 13/14 include costs related to the FY 10/11 winter storms resulting in a significantly higher actual costs in those years. FY 15/16 and 16/17 include a cost increase of approximately \$20,000 due to anticipated minimum wage increases directed by the State Department of Industrial Relations (DIR). Other services/fees includes the County contract for underground storm drain and open channel inspection and clean-up.



**2015-2017 Budget
Program Summary
Public Services-Facilities Maintenance**

Program Description:

Facilities Maintenance provides custodial, janitorial and building maintenance services for the following City buildings and facilities: City Hall, Animal Services Center, Corporation Yard and the Preciados Storage Building. Facility maintenance services include carpentry, heating/air conditioning system repair and maintenance, electrical, plumbing, general facility repairs, meeting room set-ups, preventative maintenance, inspections and routine operational services. For the Animal Services Center, this program includes repair and maintenance needs for the cattery and dog kennel. This program also supervises the replacement and rehabilitation of capital improvement program items identified in the City Facility Rehabilitation and Replacement Fund (FR&R) schedule and inspects all of the City's facilities for compliance with National Pollutant Discharge Elimination System (NPDES) regulations and other health department codes.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	99,467	101,254	104,915	114,012	8.7%	116,971	2.6%
Benefits	35,607	38,142	46,104	38,612	-16.3%	40,396	4.6%
Professional/Technical Contractual Svcs	455	15	-	-	0.0%	-	0.0%
Maintenance/Repair Contractual Svcs	169,148	159,586	243,375	197,075	-19.0%	201,200	2.1%
Supplies	40,117	30,401	47,659	44,550	-6.5%	47,550	6.7%
Rents	14,519	13,273	13,275	13,275	0.0%	13,275	0.0%
Utilities	139,827	160,250	161,200	161,200	0.0%	161,200	0.0%
Dues/Memberships/Subscriptions	-	363	-	-	0.0%	-	0.0%
Travel/Training/Meetings	12	-	1,500	1,500	0.0%	1,500	0.0%
Other services/fees	1,119	733	1,000	1,000	100.0%	1,000	0.0%
Capital outlay	-	-	20,000	-	-100.0%	-	0.0%
Total Program Budget	500,271	504,017	639,028	571,224	-10.6%	583,092	2.1%
Funding Source							
General Fund	473,236	478,264	507,992	518,624		530,492	
Animal Services Fund	27,035	25,753	131,036	52,600		52,600	
Total Program Budget	500,271	504,017	639,028	571,224		583,092	
Personnel Summary	1.55	1.15	1.15	1.15		1.15	

Significant Changes and Other Notes:

Maintenance/Repair Contractual Services includes all repair and maintenance of the building and building related equipment such as elevators, automatic doors, plumbing, HVAC, as well as all custodial services. FY 14/15 includes carryover appropriations from the prior year increasing the amended budget.

Supplies includes all janitorial and paper supplies needed for both staff and public spaces.



**2015-2017 Budget
Program Summary
Public Services-Facilities Maintenance-Library**

Program Description:

Provides custodial and janitorial services and building maintenance for the City Library building. Facility maintenance services include carpentry, heating/air conditioning system repair and maintenance, electrical, plumbing, general facility repairs, meeting room set-ups, preventative maintenance, and routine operational services. This program also supervises the replacement and rehabilitation of capital assets and inspects the library facility for compliance with National Pollutant Discharge Elimination System (NPDES) regulations and other health department codes.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	86,359	91,237	79,899	98,614	23.4%	101,144	2.6%
Benefits	29,478	33,710	39,779	32,603	-18.0%	34,128	4.7%
Maintenance/Repair Contractual Svcs	110,521	88,887	154,190	128,090	-16.9%	132,090	3.1%
Supplies	29,313	17,170	25,386	27,630	8.8%	28,630	3.6%
Utilities	225,655	249,819	242,805	242,805	0.0%	242,805	0.0%
Other services/fees	421	-	-	-	0.0%	-	0.0%
Total Program Budget	481,747	480,823	542,059	529,742	-2.3%	538,797	1.7%

Funding Source

General Fund	115,837	124,948	119,678	131,217		135,272	
Library Fund	335,591	323,702	386,666	362,810		367,810	
MVTV Fund	30,319	32,173	35,715	35,715		35,715	
Total Program Budget	481,747	480,823	542,059	529,742		538,797	

Personnel Summary	1.00	1.00	1.00	1.00		1.00	
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Significant Changes and Other Notes:

Maintenance/Repair Contractual Services includes all repair and maintenance of the building and building related equipment such as automatic doors, plumbing, HVAC, as well as all custodial services. FY 14/15 includes resources carried over for the previous year resulting in higher amended budget.

Supplies includes all janitorial and paper supplies needed for both staff and public spaces.



**2015-2017 Budget
Program Summary
Public Services-Facilities Maintenance-Recreation Centers**

Program Description:

Provides custodial and janitorial services, pool cleaning and equipment maintenance, and building maintenance for the following City buildings and recreational facilities: Marguerite Recreation Center, Montanoso and Sierra Recreation Centers, and Marguerite and Felipe Tennis Centers. Facility maintenance services include carpentry, heating/air conditioning system maintenance, electrical, plumbing, pool cleaning and aquatic equipment operations, general facility repairs and improvements, preventative maintenance, inspections and routine operational services. This program also supervises the replacement and rehabilitation of those capital improvement project items identified in the City Facility Rehabilitation and Replacement Fund (FR&R) schedule and inspects all of the City's facilities for compliance with National Pollutant Discharge Elimination System (NPDES) regulations and other health department codes.

The City owns the Marguerite Recreation Center but leases a portion of the Center to the Saddleback YMCA. The lease stipulates that the lessee pay a designated portion of the costs associated to operate the facilities. These costs include a portion of the pool maintenance expenses and monthly landscape maintenance charges.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	90,747	91,980	94,298	101,572	7.7%	104,241	2.6%
Benefits	31,307	34,002	42,330	35,221	-16.8%	36,832	4.6%
Professional/Technical Contractual Svcs	-	780	-	-	0.0%	-	0.0%
Maintenance/Repair Contractual Svcs	314,386	274,095	337,940	327,048	-3.2%	304,178	-7.0%
Supplies	67,093	42,942	60,389	60,900	0.8%	72,900	19.7%
Other services/fees	1,375	-	500	500	100.0%	500	0.0%
Capital outlay	4,559	-	-	-	0.0%	-	0.0%
Total Program Budget	509,467	443,799	535,457	525,241	-1.9%	518,651	-1.3%
Funding Source							
General Fund	509,467	443,799	535,457	525,241		518,651	
Personnel Summary							
	1.10	1.10	1.10	1.10		1.10	

Significant Changes and Other Notes:

Maintenance/Repair Contractual Service includes all landscape maintenance at all facilities as well as repair and maintenance of all buildings and related equipment such as HVAC, pool equipment and plumbing.

Supplies includes pool chemicals as well as janitorial and paper supplies for all staff and public spaces.



**2015-2017 Budget
Program Summary
Public Services-Facilities Maintenance, NPM/Aquatics/Potocki/Melinda**

Program Description:

Provides custodial and janitorial services, pool cleaning and equipment maintenance, and building maintenance for the following City buildings and recreational facilities: Norman P. Murray Community and Senior Center, Aquatics Center, Thomas R. Potocki Conference Center, and Melinda Center (Heritage House). Facility maintenance services include carpentry, heating/air conditioning system maintenance, electrical, plumbing, pool cleaning and aquatic equipment operations, general facility repairs and improvements, meeting room set-ups, preventative maintenance, inspections and routine operational services. This program also supervises the replacement and rehabilitation of capital improvement program items identified in the City Facility Rehabilitation and Replacement Fund (FR&R) schedule and inspects all of the City's facilities for compliance with National Pollutant Discharge Elimination System (NPDES) regulations and other health department codes.

The City owns the Aquatics Center but leases the facility to the Mission Viejo Nadadores Foundation. The lease stipulates that the lessee pay a designated portion of the costs associated to operate the facilities. These costs include a portion of the janitorial and pool maintenance expenses and a proportional share of utility charges.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	216,784	223,560	222,057	180,203	-18.8%	184,028	2.1%
Benefits	74,871	79,697	87,469	53,302	-39.1%	55,609	4.3%
Professional/Technical Contractual Svcs	10,688	14,070	10,000	10,000	0.0%	14,000	40.0%
Maintenance/Repair Contractual Svcs	205,476	158,160	262,877	280,374	6.7%	262,744	-6.3%
Supplies	79,026	66,310	91,500	97,000	6.0%	98,000	1.0%
Rents	7,718	4,954	-	5,000	100.0%	5,000	0.0%
Utilities	263,394	287,972	277,700	279,800	0.8%	279,800	0.0%
Dues/Memberships/Subscriptions	-	-	-	-	0.0%	-	0.0%
Travel/Training/Meetings	110	471	300	300	0.0%	300	0.0%
Other services/fees	295	-	200	200	0.0%	200	0.0%
Capital outlay	4,559	-	-	-	0.0%	-	0.0%
Total Program Budget	862,921	835,194	952,103	906,179	-4.8%	899,681	-0.7%

Funding Source

General Fund	862,921	835,194	952,103	906,179		899,681
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Personnel Summary

	3.10	3.10	3.10	2.10		2.10
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Significant Changes and Other Notes:

Maintenance/Repair Contractual Service includes all landscape maintenance at all facilities as well as repair and maintenance of all buildings and related equipment such as HVAC, pool equipment and plumbing.

Supplies includes pool chemicals as well as janitorial and paper supplies for all staff and public spaces.

A position was eliminated in this program, resulting in a reduction in personnel related costs.



**2015-2017 Budget
Program Summary
Public Services-Fleet Maintenance**

Program Description:

The Fleet Maintenance program maintains and repairs twenty-nine City vehicles, seven light towers, a mobile Emergency Operations Center (EOC) command vehicle, and related fleet equipment. This program also has responsibility for acquiring all new automotive equipment, managing the City's fueling sites for City vehicles (which include two compressed natural gas [CNG] stations), and maintaining rental/leased automotive equipment. This program also oversees an ongoing fleet replacement schedule in conjunction with the City's Computer/Equipment/Furnishings/Vehicle (CEFV) fund.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	25,336	20,314	26,906	27,386	1.8%	28,198	3.0%
Benefits	9,002	8,053	11,201	10,763	-3.9%	11,253	4.6%
Maintenance/Repair Contractual Svcs	92,807	72,769	81,600	93,100	14.1%	94,100	1.1%
Supplies	68,408	72,737	67,200	67,700	0.7%	67,700	0.0%
Utilities	912	912	-	912	0.0%	912	0.0%
Dues/Memberships/Subscriptions	-	50	-	-	0.0%	-	0.0%
Other services/fees	89	278	-	-	0.0%	-	0.0%
Total Program Budget	196,554	175,113	186,907	199,861	6.9%	202,163	1.2%
Funding Source							
General Fund	158,151	136,549	151,407	162,361		163,663	
Animal Services Fund	38,403	38,564	35,500	37,500		38,500	
Total Program Budget	196,554	175,113	186,907	199,861		202,163	
Personnel Summary	0.30	0.30	0.30	0.30		0.30	

Significant Changes and Other Notes:

Supplies includes gasoline or compressed natural gas cost for all pool, maintenance and animal services vehicles.



**2015-2017 Budget
Program Summary
Public Services-Medians and Parkways**

Program Description:

The Medians and Parkways program develops and implements a comprehensive maintenance program for 300 acres of landscaped medians and slopes adjacent to major thoroughfares throughout the City, including all slope renovation efforts. This program is designed to align the environmental impacts and benefits of landscapes with the functional and safety goals of the maintenance program. This program also assists in monitoring the National Pollutant Discharge Elimination System (NPDES) to prevent pesticides and herbicides from entering the City storm drain system. This program also manages the annual holiday lighting program and the City's banner program.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	68,782	166,091	167,617	173,278	3.4%	177,921	2.7%
Benefits	26,416	64,216	61,653	57,704	-6.4%	60,504	4.9%
Professional/Technical Contractual Svcs	7,142	-	-	-	0.0%	-	0.0%
Maintenance/Repair Contractual Svcs	1,806,682	1,503,769	1,318,810	1,604,410	21.7%	1,604,410	0.0%
Supplies	209,047	199,865	295,956	186,550	-37.0%	186,550	0.0%
Utilities	640,684	645,947	701,000	700,000	-0.1%	700,000	0.0%
Dues/Memberships/Subscriptions	140	-	350	350	0.0%	350	0.0%
Other services/fees	3,748	4,424	-	-	0.0%	-	0.0%
Total Program Budget	2,762,641	2,584,312	2,545,386	2,722,292	7.0%	2,729,735	0.3%
Funding Source							
General Fund	2,250,990	2,584,312	2,545,386	2,722,292		2,729,735	
OCTA Exchange Fund	511,651	-	-	-		-	
Total Program Budget	2,762,641	2,584,312	2,545,386	2,722,292		2,729,735	
Personnel Summary	0.75	1.65	1.65	1.65		1.65	

Significant Changes and Other Notes:

Maintenance/Repair Contractual Services includes monthly landscape maintenance contracts in addition to other miscellaneous maintenance and repairs related to irrigation systems. During FY 12/13, the City Council approved additional funding for slope renovations in the amount of \$491,000 resulting in higher actual costs in that year. Landscape maintenance contracts include an average increase of 19% beginning in FY 15/16.

Supplies includes miscellaneous landscape and irrigation parts and materials.



**2015-2017 Budget
Program Summary
Public Services-Parks Maintenance**

Program Description:

The development and implementation of a comprehensive maintenance program for 822 acres of neighborhood, community, wilderness and open space parklands is the responsibility of the Parks Maintenance program. Currently, the City has forty-two parks, providing 8.4 acres of parks for every 1,000 residents. This program is responsible for: ensuring the preservation of the natural environment, developing and protecting public lands, maintaining the landscaped areas and park amenities (i.e., site furniture, basketball hoops, restrooms, etc.), and encouraging the full recreational use of these areas in a creative and safe manner. This program also oversees the inspections of high priority park sites for conformance with water quality compliance, and performs necessary corrections identified during inspection.

Parks Maintenance also manages a public awareness program that communicates the purpose of City maintenance functions and encourages public appreciation for the landscaped environment through quarterly articles in City publications. This program also manages an annual facility rehabilitation program for all City parks and supports special events at various facilities.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	374,930	309,875	321,187	332,414	3.5%	341,319	2.7%
Benefits	125,377	123,191	117,616	111,503	-5.2%	116,871	4.8%
Professional/Technical Contractual Svcs	208,943	204,037	182,900	227,000	24.1%	215,000	-5.3%
Maintenance/Repair Contractual Svcs	3,550,073	3,527,534	3,674,801	4,369,156	18.9%	4,369,656	0.0%
Supplies	431,546	409,578	409,132	440,800	7.7%	425,300	-3.5%
Rents	56,325	51,244	56,500	56,500	0.0%	56,500	0.0%
Utilities	981,670	1,053,372	1,099,842	1,057,400	-3.9%	1,067,400	0.9%
Dues/Memberships/Subscriptions	1,060	1,960	1,560	2,300	47.4%	2,300	0.0%
Travel/Training/Meetings	2,244	1,681	1,600	1,600	0.0%	1,600	0.0%
Other services/fees	21,780	12,948	8,466	4,850	-42.7%	4,850	0.0%
Contributions to agencies/organizations	5,800	800	-	-	0.0%	-	0.0%
Capital outlay	-	101,883	89,418	-	-100.0%	-	0.0%
Total Program Budget	5,759,748	5,798,103	5,963,022	6,603,523	10.7%	6,600,796	0.0%

Funding Source

General Fund	5,626,817	5,672,668	5,875,522	6,487,278		6,484,551	
CEFV Replacement Fund	-	11,300	-	-		-	
Animal Services Fund	132,931	114,135	87,500	116,245		116,245	
Total Program Budget	5,759,748	5,798,103	5,963,022	6,603,523		6,600,796	

Personnel Summary

3.50	2.80	3.40	3.40	3.40
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Significant Changes and Other Notes:

Professional/Technical Contractual Services includes risk management park inspection costs. FY 15/16 and 16/17 include a cost increase of approximately \$30,000 due to anticipated minimum wage increases directed by the DIR.

Maintenance/Repair Contractual Services includes monthly landscape maintenance contracts as well as other park site repair and maintenance needs, including on-going replacement of rubberized playground resurfacing.

Supplies includes miscellaneous parts and materials for landscape, irrigation and other park amenities.

Capital Outlay in FY 13/14 and FY 14/15 include purchase of 1 vehicle and funding for benches and shade structures at Marguerite Tennis Pavilion and miscellaneous play structures for park playgrounds in each year.



**2015-2017 Budget
Program Summary
Public Services-Street Maintenance**

Program Description:

The Street Maintenance program administers a comprehensive right-of-way maintenance and rehabilitation program for over five hundred lane miles of City streets. This maintenance and rehabilitation program includes the repair of roadways, curbs, gutters, medians, sidewalks, roadway bridges, and underpasses as well as the regular sweeping of all arterial and residential streets. This program conducts preventative maintenance on City streets, which includes street sealing and resurfacing, and grades and maintains unimproved road shoulders and medians to ensure safe driving and parking conditions as well as proper drainage.

This program also oversees the annual repainting of existing City roadway striping and the repainting of existing and new traffic pavement messages, painted curb, reflective pavement markers, and parking control markings at City facilities. This program maintains and replaces street signs, as well as maintains and updates curb, gutter, and sidewalk inventory lists annually to project funding and scheduling of future repairs and replacement.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	296,878	310,149	286,100	296,233	3.5%	304,586	2.8%
Benefits	107,287	128,536	108,173	103,528	-4.3%	108,564	4.9%
Professional/Technical Contractual Svcs	2,916	2,754	4,000	5,000	25.0%	5,000	0.0%
Maintenance/Repair Contractual Svcs	1,213,725	1,195,836	1,232,005	1,171,500	-4.9%	1,171,500	0.0%
Supplies	14,931	5,492	18,108	16,175	-10.7%	18,108	12.0%
Rents	12,706	15,865	12,800	14,500	13.3%	15,000	3.4%
Utilities	1,368	1,368	-	1,400	0.0%	1,400	0.0%
Dues/Memberships/Subscriptions	211	-	700	700	0.0%	700	0.0%
Travel/Training/Meetings	-	-	500	500	0.0%	500	0.0%
Other services/fees	577,295	587,771	584,600	582,600	-0.3%	584,600	0.3%
Capital outlay	-	39,841	49,418	-	-100.0%	-	100.0%
Total Program Budget	2,227,317	2,287,612	2,296,404	2,192,136	-4.5%	2,209,957	0.8%

Funding Source

General Fund	1,199,344	2,276,312	2,296,404	2,192,136		2,209,957	
CEFV Replacement Fund	-	11,300	-	-		-	
OCTA Exchange Fund	1,027,973	-	-	-		-	
Total Program Budget	2,227,317	2,287,612	2,296,404	2,192,136		2,209,957	

Personnel Summary	3.00	3.00	3.00	3.00		3.00	
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Significant Changes and Other Notes:

Professional/Technical Contractual Services includes underground service alerts.
 Maintenance/Repair Contractual Services includes sidewalk and street repair as well as street sweeping services.
 Rent includes materials for traffic control needs during special events.
 Other services/fees includes services for pressuring washing, algae removal, striping and sign maintenance.



**2015-2017 Budget
Program Summary
Public Services-Urban Forestry**

Program Description:

The focus of the Urban Forestry program is the annual maintenance of approximately 45,000 trees located in the parks, open space, medians and slopes throughout the City. This program is designed to maintain the health and vigor of the City's trees and to provide the community with an ecologically and environmentally balanced landscape. This program also annually updates the tree inventory and manages the urban forest through the aggressive thinning, removal and replacement of trees that are in a declining state or present a danger to the public. This program will continue to reintroduce the City tree – the Coast Live Oak – into the City's urban forest. Additionally, this program strives to educate the public about Arbor Day and the importance of maintaining the urban forest.

Category Expenditure Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15		% Change from Prior Year	% Change	
			Amended Budget	FY 2015/16 Adopted		FY 2016/17 Adopted	from Prior Year
Salaries & wages	36,173	44,525	44,153	47,012	6.5%	48,332	2.8%
Benefits	19,906	18,244	18,327	16,126	-12.0%	16,922	4.9%
Maintenance/Repair Contractual Svcs	646,584	609,300	610,700	610,700	0.0%	610,700	0.0%
Dues/Memberships/Subscriptions	170	30	575	575	0.0%	575	0.0%
Travel/Training/Meetings	-	-	400	400	0.0%	400	0.0%
Total Program Budget	702,833	672,099	674,155	674,813	0.1%	676,929	0.3%

Funding Source

General Fund	702,833	672,099	674,155	674,813	676,929
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Personnel Summary	0.60	0.40	0.40	0.40	0.40
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Significant Changes and Other Notes:

Maintenance/Repair Contractual Services includes tree management control services.



**2015-2017 Budget
Program Area Summary
Recreation, Community and Library Services
Expenditures, All Funds: FY 2012/13 - FY 2016/17**

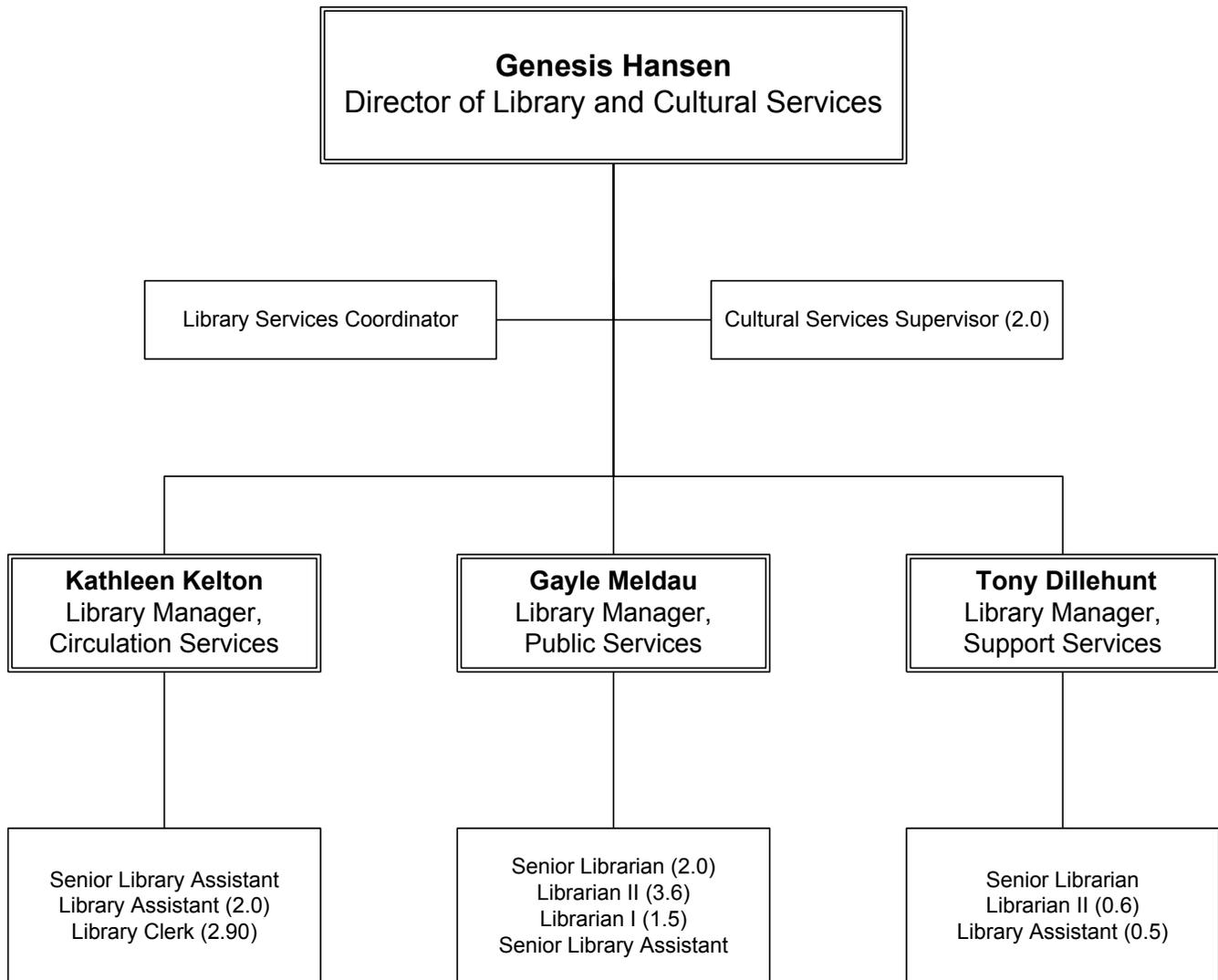
	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
<i>Library and Cultural Services Department*</i>							
Administration	542,502	547,309	475,449	471,908	-0.7%	401,398	-14.9%
Cultural Services	305,398	300,871	360,493	329,675	-8.5%	337,635	2.4%
Operations	714,681	733,438	761,225	747,643	-1.8%	767,766	2.7%
Public Services	1,175,823	1,229,107	1,374,939	1,336,958	-2.8%	1,353,894	1.3%
Support Services	361,754	406,392	403,231	397,826	-1.3%	368,576	-7.4%
Library Department	3,100,158	3,217,117	3,375,337	3,284,010	-2.7%	3,229,270	-1.7%
<i>Recreation & Community Services Dept*</i>							
Administration	348,635	280,308	320,906	328,089	2.2%	336,799	2.7%
Community Services	350,176	329,806	293,076	327,624	11.8%	344,789	5.2%
Norman P. Murrery Center	1,026,104	1,012,885	1,036,651	1,003,634	-3.2%	987,083	-1.6%
Recreation	884,874	864,256	869,030	878,903	1.1%	880,846	0.2%
Felipe Tennis Center	229,553	225,012	224,624	231,247	2.9%	235,973	2.0%
Marguerite Tennis Center	345,988	529,256	493,984	448,677	-9.2%	456,661	1.8%
Montanoso Recreation Center	872,017	884,481	928,832	912,367	-1.8%	916,902	0.5%
Sierra Recreation Center	634,815	659,350	745,549	711,899	-4.5%	730,333	2.6%
Recreation & Community Services Dept	4,692,162	4,785,354	4,912,652	4,842,440	-1.4%	4,889,385	1.0%
Recreation/Community/Library Serv	7,792,320	8,002,471	8,287,989	8,126,450	-1.9%	8,118,655	-0.1%



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LIBRARY AND CULTURAL SERVICES DEPARTMENT



Department Description:

The Library and Cultural Services Department manages and operates a full-service City library in a 41,400 square foot facility. Ongoing responsibilities include developing and maintaining print and non-print materials collections and a stand-alone integrated library system and catalog featuring patron-self-service features. Library Services is also responsible for evaluating and implementing current library technology, including web site access to library resources and wireless internet access; providing a variety of information and research tools for patrons; developing and evaluating policies and procedures; and developing and implementing information programs and entrepreneurial services for diverse patron populations.

The City's Library is open sixty hours per week, seven days per week, and serves a South Orange County population of approximately 400,000 people, including residents of Mission Viejo and surrounding cities and unincorporated areas in and around Orange County.



CITY OF MISSION VIEJO
2015-17 Department Objectives
Library

Strategic Goal(s)



Promote library services and resources to local business community and demonstrate the tools the library has that can help local businesses succeed and grow.

- Plan and present at least two outreach presentations each year for the business community.
- Present at the SCORE workshops.
- Partner with the Mission Viejo Chamber of Commerce to provide resources and information to Chamber members.



Complete Cultural Arts Master Plan: work with contracted consultant and steering committee to complete the draft plan that supports the City's strategic priorities of Community Building and Preserving & Enhancing the Beauty of the Community; submit to Community Services Commission for evaluation before going to City Council for final approval.



Replace outdated self-checkout system with a full-featured system and promote self-checkout options to library patrons allowing for the re-distribution of library staff from circulation operations to passport operations to better meet passport demand which is projected to increase 25-30% over the next two years.



Utilize technology resources to improve library services throughout the City by identifying unreached areas of the community and plan outreach and promotion to those areas and increase ease of off-site library registration and demonstrations at school and community outreach events (e.g. National Night Out, school registration, Back to School Nights).



Coordinate with Saddleback College to enhance cultural and educational programs for our community, partnering to share performance spaces and other resources to maximize value to the community while minimizing costs.



Provide staff assistance and feedback to IT during the City's website redesign process to ensure that the website best serves the needs of citizens and other stakeholders while enhancing government transparency, citizen involvement, engagement and participation.



CITY OF MISSION VIEJO
2013-15 Department Accomplishments
Library



- Applied for and received a \$40,000 LSTA grant administered by the California State Library which allowed us to purchase equipment and provide training for children’s librarians to learn to incorporate digital media such as eBooks and literacy apps into their literacy classes. Staff curated a collection of recommended apps and eBooks and provided tips for parents on healthy use of digital media with young children.
- The library received a \$21,000 LSTA grant for the “Mobile Mission Viejo Library” project. The grant provides funding and support for improving and promoting the library’s online offerings and mobilizing staff within the library and outside the library walls with new service model pilot projects and outreach events.
- Averaged over 900 new library cards per month (record for past 10 years). Over 300 cards issued at school outreach events.
- 15 school outreach visits made by librarian staff in FY 2013-14, and 21 outreach visits made by librarian staff in FY 2014-15, which included presentations about library resources to principals, school staff and PTA groups at many schools in both the SVUSD and CUSD districts, and Mission Viejo Christian School.
- Processed an average of over 500 passport applications per month and nearly 400 passport photos taken per month. Passport revenues average over \$17,000 per month; additional passport processing hours were added during peak season to meet demand.
- Managed and supported a volunteer program consisting of 230 active volunteers. Successfully recruited and trained 26 new volunteers.
- Planned and implemented two large-scale events Arts Alive and Pacific Symphony/Prelude in the Park each year; coordinated addition of Food & Wine Festival to Arts Alive for 2015.
- Continued to grow successful Writers Present author series, bringing nearly 50 popular and upcoming authors to Mission Viejo.
- Our collection of 16mm and 35mm films documenting the early days of Mission Viejo were digitized for preservation. This project was funded by The Friends of the Mission Viejo Library. Short film clips of Mission Viejo history were compiled by Library staff and are now available on the City’s YouTube page.
- Improved circulation workflow efficiency to ensure that materials are back on the shelf within 24 hours of return, shelf-space allowing; Reduced number of items in “TRACE” status by 45% by changing workflow to allow for more frequent searching; increased loan limit and per-subject loan limit to accommodate patron demand.
- Electronic ordering & invoicing set up for vendors Baker & Taylor and Ingram, and grid ordering set up for other primary vendors, which makes ordering and invoicing more efficient within our library ILS, and cuts staff time spent on this task by 50%.
- Increased downloadable materials offerings by adding three new services: Axis 360, Enki, and Zinio, and improved visibility of digital content by making it available in the library catalog through the eResource Central product which allows patrons to search print and digital materials at the same time.
- Outsourced processing of materials to primary book vendor Baker & Taylor – this eliminated the processing backlog and significantly reduced time between receiving materials and getting them on the shelf.
- Partnered with three local schools (Carl Hankey, Bathgate, and De Portola) on joint programs, bringing authors to speak at student assemblies.
- Expanded early literacy offerings with Baby Lapsit literacy class; as well as 5-week parenting and child development workshops through the Family Place program.



CITY OF MISSION VIEJO
2015-17 Department Performance Measures
Library



Performance measures are designed to determine accountability, improve service quality, allocate resources and evaluate departmental performance in meeting Mission Viejo's goals and objectives.

Measure	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Projected
Library visits	874,029	835,974	840,000	840,000
In-house checkout	737,233	702,908	702,000	702,000
eBooks downloaded	52,686	52,699	53,500	53,500
New borrowers registered	11,051	11,062	11,200	11,200
Reference questions answered	116,133	111,389	112,000	111,000
Website & catalog visits	1,490,793	1,498,624	1,500,000	1,500,000
Program attendance	39,084	31,189	33,000	33,000
Volunteer hours donated	16,748	15,998	16,200	16,200



**2015-2017 Budget
Library and Cultural Services
Department Summary**

Department Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Administration	542,502	547,309	475,449	471,908	-0.7%	401,398	-14.9%
Cultural Services	305,398	300,871	360,493	329,675	-8.5%	337,635	2.4%
Operations	714,681	733,438	761,225	747,643	-1.8%	767,766	2.7%
Public Services	1,175,823	1,229,107	1,374,939	1,336,958	-2.8%	1,353,894	1.3%
Support Services	361,754	406,392	403,231	397,826	-1.3%	368,576	-7.4%
Total Department Budget	3,100,158	3,217,117	3,375,337	3,284,010	-2.7%	3,229,270	-1.7%

Department Expenditures by Category

Salaries & wages	1,928,030	1,981,321	2,065,020	2,026,423	-1.9%	2,074,083	2.4%
Benefits	776,671	834,745	788,063	766,952	-2.7%	716,851	-6.5%
Professional/Technical Contractual Svcs	93,082	83,924	106,170	102,870	-3.1%	62,870	-38.9%
Maintenance/Repair Contractual Svcs	9,635	7,638	18,400	13,050	-29.1%	13,050	0.0%
Supplies	198,572	228,808	284,344	262,075	-7.8%	246,075	-6.1%
Rents	10,070	1,400	4,500	5,650	25.6%	5,650	0.0%
Utilities	-	863	1,500	1,500	0.0%	1,500	0.0%
Dues/Memberships/Subscriptions	4,966	1,935	3,950	3,950	0.0%	3,950	0.0%
Travel/Training/Meetings	2,803	2,564	3,650	2,800	-23.3%	2,800	0.0%
Other services/fees	56,329	43,919	49,740	48,740	-2.0%	52,440	7.6%
Contributions to agencies/organizations	20,000	30,000	50,000	50,000	0.0%	50,000	0.0%
Total Department Budget	3,100,158	3,217,117	3,375,337	3,284,010	-2.7%	3,229,270	-1.7%

Funding Source

General Fund	305,398	300,871	360,493	329,675		337,635	
Library Fund	2,283,310	2,148,771	2,438,207	2,288,090		2,319,489	
General Fund Subsidy	511,450	767,475	576,637	666,245		572,145	
Total Department Budget	3,100,158	3,217,117	3,375,337	3,284,010		3,229,270	

Personnel Summary	25.25	25.10	24.10	24.10		24.10	
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**2015-2017 Budget
Program Summary
Library and Cultural Services-Administration**

Program Description:

The Administration program is responsible for advising the City Manager, developing and monitoring the Library and Cultural Services Department budget, developing policies for Library Board of Trustee approval, developing and implementing staffing plans, and developing, implementing, and evaluating library programs and services. The Administration program also has responsibility for coordinating the Department’s volunteer program, gathering, evaluating, and disseminating library and cultural arts use statistics, directing library promotions and marketing efforts, coordinating strategic planning, advising and serving as liaison with the Friends of the Mission Viejo Library, and developing and fostering collaborations with community groups and stakeholders.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	247,690	242,973	223,240	201,149	-9.9%	206,696	2.8%
Benefits	215,792	251,146	194,809	214,859	10.3%	138,802	-35.4%
Professional/Technical Contractual Svcs	2,025	14	-	-	0.0%	-	0.0%
Maintenance/Repair Contractual Svcs	6,390	4,678	9,500	6,550	-31.1%	6,550	0.0%
Supplies	25,025	14,614	14,500	14,500	0.0%	14,500	0.0%
Rents	1,475	-	-	-	0.0%	-	0.0%
Utilities	-	863	1,500	1,500	0.0%	1,500	0.0%
Dues/Memberships/Subscriptions	4,626	1,610	2,200	3,200	45.5%	3,200	0.0%
Travel/Training/Meetings	849	688	350	100	-71.4%	100	0.0%
Other services/fees	38,630	30,723	29,350	30,050	2.4%	30,050	0.0%
Total Program Budget	542,502	547,309	475,449	471,908	-0.7%	401,398	-14.9%

Funding Source

Library Fund	542,502	547,309	475,449	471,908	401,399
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Personnel Summary

	3.00	3.00	2.00	2.00	2.00
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Significant Changes and Other Notes:

The anticipated payoff of the unfunded liability for this benefit in FY 15/16 significantly reduces this benefit in FY 16/17.

Benefits includes the Library Fund portion of Post Employment Medical Insurance cost allocated to each fiscal year.

Other services/fees includes annual County of Orange property tax administration fees.



**2015-2017 Budget
Program Summary
Library and Cultural Services-Cultural Services**

Program Description:

The Cultural Services program coordinates and partners with community organizations, educational institutions and the private sector to offer cultural arts programs and community-wide special events. The cultural art programs offered include musical performances such as the South Coast Symphony, "Lord of the Strings," "Connections Chamber Series," and many others. This program also oversees gallery exhibitions and the Art in Public Places program at the Mission Viejo Library, Norman P. Murray Community Center, Heritage House, Oso Viejo Village Green, and Crown Valley Parkway. Additional community-wide events include: "Pacific Symphony/Prelude in the Park" (featuring the Pacific Symphony Orchestra), and the "Arts Alive and Street Painting Festival."

Cultural Services also facilitates and coordinates the program/project efforts of the Cultural Arts and Heritage Committees. This program also offers support services to community organizations and other City departments as needed.

Category Expenditure Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15		% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
			Amended Budget	FY 2015/16 Adopted			
Salaries & wages	152,316	158,157	163,297	165,543	1.4%	170,510	3.0%
Benefits	61,544	61,713	59,626	62,261	4.4%	65,255	4.8%
Professional/Technical Contractual Svcs	37,628	23,844	51,000	18,050	-64.6%	18,050	0.0%
Maintenance/Repair Contractual Svcs	685	520	1,000	1,000	0.0%	1,000	0.0%
Supplies	10,274	14,615	14,650	8,750	-40.3%	8,750	0.0%
Rents	8,595	1,400	4,500	5,650	25.6%	5,650	0.0%
Dues/Memberships/Subscriptions	309	325	250	250	0.0%	250	0.0%
Travel/Training/Meetings	193	16	200	200	0.0%	200	0.0%
Other services/fees	13,854	10,281	15,970	17,970	12.5%	17,970	0.0%
Contributions to agencies/organizations	20,000	30,000	50,000	50,000	0.0%	50,000	0.0%
Total Program Budget	305,398	300,871	360,493	329,675	-8.5%	337,635	2.4%

Funding Source

General Fund	305,398	300,871	360,493	329,675		337,635
Total Program Budget	305,398	300,871	360,493	329,675		337,635

Personnel Summary	2.00	2.00	2.00	2.00		2.00
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Significant Changes and Other Notes:

Professional/Technical Contractual Services includes artist and performers for the Arts Alive and Pacific Symphony events.

Supplies includes supplies for Arts Alive and Pacific Symphony events.

Rents includes sound and lighting equipment for cultural arts series and South Coast Symphony program.

Other services/fees includes instructor fees for art, music and ceramics classes, which are offset 100% by revenue.

Contributions to agencies/organization is the fee provided to the Pacific Symphony for the annual Symphony event.



**2015-2017 Budget
Program Summary
Library and Cultural Services-Library Operations**

Program Description:

The Library Operations program is responsible for managing the library's circulation function. Library circulation includes: the checking in and out of materials, issuance of library cards, collecting fines and fees, and managing patron accounts. In addition, this program is responsible for shelving library materials, overseeing the maintenance and repair of the library facility, and managing and evaluating Department's Passport Acceptance Service.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	509,648	522,177	543,294	548,479	1.0%	559,350	2.0%
Benefits	164,384	170,097	164,741	147,299	-10.6%	153,851	4.4%
Professional/Technical Contractual Svcs	28,238	28,632	34,320	34,820	1.5%	34,820	0.0%
Maintenance/Repair Contractual Svcs	2,560	2,440	7,900	5,500	-30.4%	5,500	0.0%
Supplies	6,074	8,037	6,325	10,825	71.1%	9,825	-9.2%
Dues/Memberships/Subscriptions	31	-	-	-	0.0%	-	0.0%
Travel/Training/Meetings	-	-	225	-	-100.0%	-	0.0%
Other services/fees	3,746	2,055	4,420	720	-83.7%	4,420	513.9%
Total Program Budget	714,681	733,438	761,225	747,643	-1.8%	767,766	2.7%
Funding Source							
Library Fund	714,681	733,438	761,225	747,643		767,766	
Personnel Summary	7.00	6.90	6.90	6.90		6.90	

Significant Changes and Other Notes:

Professional/Technical Contractual Services includes financial services fees for credit card processing and collection agency fees.



**2015-2017 Budget
Program Summary
Library and Cultural Services-Public Services**

Program Description:

The Public Services Division is responsible for selecting and ordering library materials; providing reference, information, and readers' advisory services; providing public support in the library's Technology Center; planning, implementing, and evaluating library programs and services for the public; developing and fostering collaborative relations with community groups and schools; and, ensuring that the library's collection is relevant and accessible to all patrons.

Category Expenditure Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Salaries & wages	777,629	791,488	841,322	856,777	1.8%	876,346	2.3%
Benefits	246,682	263,757	280,573	258,781	-7.8%	271,148	4.8%
Professional/Technical Contractual Srvs	1,600	1,400	11,350	-	0.0%	-	0.0%
Supplies	149,583	170,842	239,069	220,000	-8.0%	205,000	-6.8%
Dues/Memberships/Subscriptions	-	-	1,400	400	-71.4%	400	0.0%
Travel/Training/Meetings	230	1,590	1,225	1,000	100.0%	1,000	0.0%
Other services/fees	99	30	-	-	0.0%	-	0.0%
Total Program Budget	1,175,823	1,229,107	1,374,939	1,336,958	-2.8%	1,353,894	1.3%
Funding Source							
Library Fund	664,373	461,632	798,302	670,713		781,749	
General Fund Subsidy	511,450	767,475	576,637	666,245		572,145	
Total Program Budget	1,175,823	1,229,107	1,374,939	1,336,958		1,353,894	
Personnel Summary	10.125	10.100	10.100	10.100		10.100	

Significant Changes and Other Notes:

Supplies includes library materials such as books, online resources and periodicals.



**2015-2017 Budget
Program Summary
Library and Cultural Services-Support Services**

Program Description:

The Support Services program is responsible for selecting and managing the library's integrated library system (ILS); acquiring, cataloging and processing all library materials; maintaining the library collection; managing the library's online resources, computer equipment, and internet/WiFi presence; supporting the library's digital resources; and supervising the Cultural Services program.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	240,747	266,526	293,867	254,474	-13.4%	261,181	2.6%
Benefits	88,269	88,032	88,314	83,752	-5.2%	87,795	4.8%
Professional/Technical Contractual Svcs	23,591	30,034	9,500	50,000	426.3%	10,000	-80.0%
Supplies	7,616	20,700	9,800	8,000	-18.4%	8,000	0.0%
Dues/Memberships/Subscriptions	-	-	100	100	0.0%	100	0.0%
Travel/Training/Meetings	1,531	270	1,650	1,500	-9.1%	1,500	0.0%
Other services/fees	-	830	-	-	0.0%	-	0.0%
Total Program Budget	361,754	406,392	403,231	397,826	-1.3%	368,576	-7.4%

Funding Source

Library Fund	361,754	406,392	403,231	397,826	368,576
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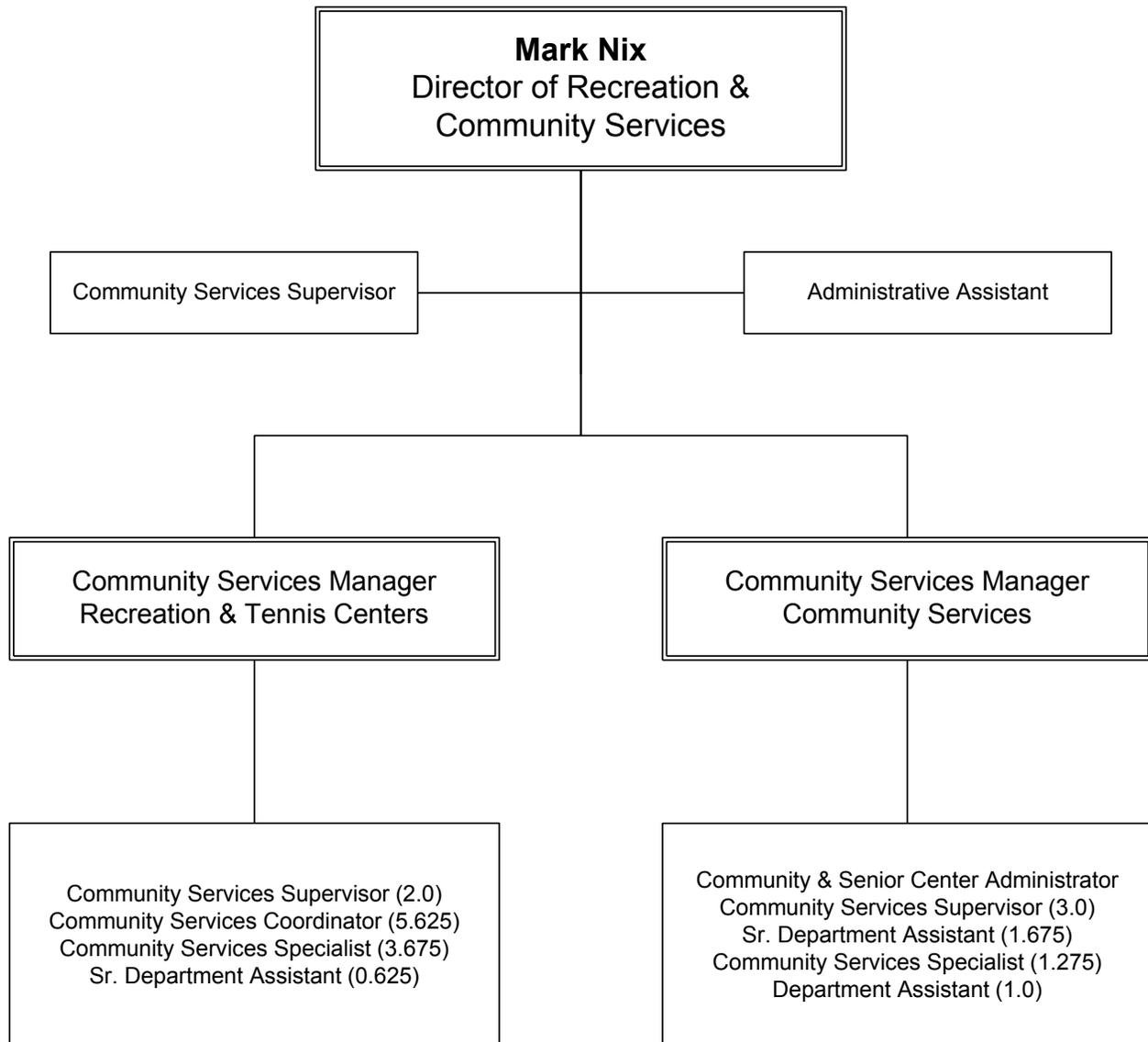
Personnel Summary	3.125	3.100	3.100	3.100	3.100
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Significant Changes and Other Notes:

Professional/Technical Contractual Services includes the fees for the Online Computer Library Center. The FY 2015/16 amount includes \$40,000 for the development of a local history film series and digitizing local history documents.



RECREATION & COMMUNITY SERVICES DEPARTMENT



Department Description:

The Recreation and Community Services Department manages the City's contracts for recreation classes, community services, youth services, senior programs, volunteer service program, and numerous special events. It also oversees the Norman P. Murray Community and Senior Center, two recreation centers, and two tennis centers. In addition, this department provides staff support to the Community Services Commission and four citizen committees.



CITY OF MISSION VIEJO
2015-17 Department Objectives
Recreation and Community Services



Strategic Goal(s)



In collaboration with the Economic Development Manager, the Director of Community Relations and the business community and other partners, develop a visitor's guide/business directory that can be distributed to the public to encourage patronage to Mission Viejo businesses by visitors to the City.



Implement a variety of recreation, cultural and life-long learning opportunities to the community and support neighborhood gatherings by offering four new quarterly family fun nights at various City facilities and develop diverse new youth and family oriented programs at the Recreation Centers to increase participation and membership.



Identify and pursue collaborations with community organizations such as the YMCA, Nadadores Foundation, Elks Lodge, Rotary, Kiwanis, school districts, youth sports organizations, Mission Viejo Activities Committee, etc. to enhance and develop programs and services for the betterment of the community including the Special Olympics World Games Host Town program.



Develop and implement a comprehensive Athletic Field Master Plan and Sports Field Fee Policy in partnership with Public Services for guiding decision-making in managing athletic field use in efforts to preserve and maintain the city's parks; and develop an easy to access park user guide to provide greater access to recreational facilities for the community.



Offer a free, annual Water Safety Day / Mock Drowning Rescue Demonstration. Partner with the Orange County Fire Authority, Orange County Sheriff's Department, Orange County Health Department, and Nadadores Foundation to promote water safety awareness and prevent pool drownings.



Promote positive development and plan quality experiences for youth in collaboration with the Community Services Commission by researching a potential cost-neutral or self-sustaining community youth center.



Continue to provide resources to the Military Support Committee and the City's adopted military family, Headquarters Battalion of the First Marine Division to assist with emotional and financial support of military members and their families.



Provide staff assistance and feedback to IT during the City's website redesign process to ensure that the website best serves the needs of citizens and other stakeholders while enhancing government transparency, citizen involvement, engagement and participation.



CITY OF MISSION VIEJO
2013-15 Department Accomplishments
Recreation and Community Services



- Conducted the Korean War Veterans Recognition Event in July 2013, hosting more than 350 Korean Era veterans and their guests.
- Conducted the Vietnam Veterans Tribute Event in September 2014 with more than 500 in attendance.
- Conducted two annual “Tee It UP Fore Marines” benefit golf tournaments in April 2013 and October 2014, drawing over 144 golfers each and raising a combined \$65,000 for the Headquarters Battalion of the First Marine Division.
- Sponsored two Wounded Warriors softball games in 2014 and 2015. Sponsored Wounded Warrior Amputee Softball game on May 3, 2014 with about 1000 in attendance and raising over \$57,000 to benefit the Amputee Children’s Summer Camp. The City will host the Wounded Warrior Amputee Softball Team’s Amputee Children’s Camp and Softball Event in June 2015.
- Partnered with community organizations to conduct special events including the KSBR Birthday Bash/Jazz Festival and Big Band Swing Dance; ACS Relay for Life Annual Fundraiser; Bunny Days and Hometown Halloween (SVUSD); Fourth of July Street Faire; Up in the Air; Santa Village; Gifts and Goodies Boutique (MVAC); A Business Expo (Mission Viejo Chamber of Commerce) and others.
- Provided educational and leadership opportunities for members of the Senior Citizen Activity Committee. Members were given the opportunity to attend the following educational and leadership events: Senior Citizen Transportation Workshop (October 2013), County of Orange Senior Summit (February 2014) and Orange County Senior Citizen Advisory Council meeting (SCAC) (June 2014).
- The Lions Heart Volunteer Organization has partnered with the Norman P. Murray Community and Senior Center on several events including Twilight Dinners in June 2014 and October 2014; Tea at 3 Concert in July 2014; Senior Sundays in February 2014 and July 2014; Volunteer Recognition Lunch in January 2015; Senior iPad Practice on an ongoing basis. They have also assisted with Cookie Walks by baking cookies and helping at the booth.
- Established a Wall of Recognition Policy to recognize those who have provided extraordinary, lasting, and highly significant service contributions to the community. Appointed two Community Services Commissioners to serve on Selection Board for Wall of Recognition Committee.
- Completed a Walking Trails map that illustrates five major trails along with trailheads for accessing the trails. Further it provides a description of the various features of each of the trails along with their difficulty ranging from easy to moderate to difficult. This Walking Trails map is now live on the City’s Web page at <http://cityofmissionviejo.org/walkingtrails>.
- An updated Community Services Master Plan was completed and approved by the City Council in January 2015.
- Conducted Memorial Day and Veterans Day Ceremonies for 2013, 2014 and 2015. The Memorial Day Ceremonies had approximately 400 participants each and the Veterans Day Ceremonies experienced approximately 350 participants each.
- Completed construction of the Montanoso Recreation Center Locker Room Renovation, which opened to the public in June 2015. The project increased the total size of the locker rooms from 700 to 1,400 sq.ft., making them more handicap accessible and more comparable to other fitness centers in the area. Separate shower rooms are now available, and the floorplan is considered more “family-friendly.” The newly updated locker rooms are expected to attract new members to the facilities.



CITY OF MISSION VIEJO
2015-17 Department Performance Measures
Recreation and Community Services



Performance measures are designed to determine accountability, improve service quality, allocate resources and evaluate departmental performance in meeting Mission Viejo's goals and objectives.

Measure	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Projected
\$ amount of funds raised for Adopted Marine Battalion	\$27,700	\$37,200	\$39,000	\$41,000
# picnic permits issued	336	400	400	400
# of Community classes / # of attendees	102/2,828	105/1,867	115/1,960	125/2,028
# of Citywide hosted special events / # of attendees	21/63,315	21/60,000	21/63,000	21/65,000
# of on-site meals served	8,348	8,400	8,400	8,400
# of senior activities / # of attendees	2,828/71,264	2,900/75,000	2,900/76,000	2,900/77,000
# of facility bookings/attendees	5,595/168,242	5,600/170,000	5,605/172,000	5,610/174,000
Facility rental revenue	\$231,000	\$240,000	\$242,000	\$244,000
# of taxi trips under the Senior Mobility program	4,441	5,000	5,250	5,500
Sports field rental revenue	\$53,543	\$61,000	\$63,000	\$65,000
# youth participants on City sports fields	9,000	9,000	9,100	9,200
Kids' Factory After School total attendance	107,588	110,000	112,000	114,000
Kids' Factory summer total attendance	9,654	12,000	12,250	12,500
Combined Recreation Centers attendance	229,184	223,000	227,000	232,000
Combined Tennis Centers attendance	42,060	45,000	46,000	47,000
Average # monthly Recreation Centers members	5,539	5,600	5,700	5,800
Average # monthly Tennis Centers members	372	397	410	420



**2015-2017 Budget
Recreation and Community Services
Department Summary**

Department Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Administration	348,635	280,308	320,906	328,089	2.2%	336,799	2.7%
Community Services	350,176	329,806	293,076	327,624	11.8%	344,789	5.2%
Norman P. Murray Center	1,026,104	1,012,885	1,036,651	1,003,634	-3.2%	987,083	-1.6%
Recreation	884,874	864,256	869,030	878,903	1.1%	880,846	0.2%
Felipe Tennis Center	229,553	225,012	224,624	231,247	2.9%	235,973	2.0%
Marguerite Tennis Center	345,988	529,256	493,984	448,677	-9.2%	456,661	1.8%
Montanoso Recreation Center	872,017	884,481	928,832	912,367	-1.8%	916,902	0.5%
Sierra Recreation Center	634,815	659,350	745,549	711,899	-4.5%	730,333	2.6%
Total Department Budget	4,692,162	4,785,354	4,912,652	4,842,440	-1.4%	4,889,385	1.0%

Department Expenditures by Category

Salaries & wages	2,064,895	2,008,244	2,092,746	2,082,508	-0.5%	2,156,102	3.5%
Benefits	741,016	749,396	701,179	646,944	-7.7%	674,397	4.2%
Professional/Technical Contractual Svcs	100,455	123,294	110,185	98,470	-10.6%	97,670	-0.8%
Maintenance/Repair Contractual Svcs	30,225	28,442	24,600	26,100	6.1%	26,100	0.0%
Supplies	116,524	109,448	121,815	115,315	-5.3%	113,415	-1.6%
Insurance	-	1,639	1,500	1,500	0.0%	1,500	0.0%
Rents	15,832	19,425	26,440	36,455	37.9%	36,455	0.0%
Utilities	180,415	192,036	185,400	191,400	3.2%	191,400	0.0%
Dues/Memberships/Subscriptions	2,164	1,834	3,400	4,095	20.4%	4,095	0.0%
Travel/Training/Meetings	6,063	6,265	9,650	9,850	2.1%	9,850	0.0%
Other services/fees	1,242,679	1,365,128	1,417,737	1,431,102	0.9%	1,403,102	-2.0%
Contributions to agencies/organizations	162,384	174,310	168,000	167,500	-0.3%	167,800	0.0%
Capital outlay	29,510	5,893	50,000	31,200	-37.6%	7,500	0.0%
Total Department Budget	4,692,162	4,785,354	4,912,652	4,842,440	-1.4%	4,889,385	1.0%

Funding Source

General Fund	4,549,770	4,616,257	4,640,427	4,728,440		4,775,385
CEFV Replacement Fund	-	-	47,500	-		-
Senior Center Operations Fund	142,392	169,097	224,725	-		-
OCTA Transportation Grant Fund	-	-	-	114,000		114,000
Total Department Budget	4,692,162	4,785,354	4,912,652	4,842,440		4,889,385

Personnel Summary	26.300	26.300	24.800	24.575		24.575
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**2015-2017 Budget
Program Summary
Recreation and Community Services-Administration**

Program Description:

The Administration program is responsible for the central management of the Department's two divisions and eight major programs. This program provides the direction and support for developing partnerships and creating community building with individuals, organizations, groups and public entities. Administration provides staff support to the City's Community Services Commission, four citizen committees and serves as liaison to citizen groups and the City Council. Certain capital improvement projects are administered through this program. The Community Calendar, City recreation newsletter ("Leisure Time"), and departmental information on the City's web page are all updated on an ongoing basis through the Administration program.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	196,074	144,709	184,645	181,698	-1.6%	187,132	3.0%
Benefits	81,155	71,762	61,511	67,566	9.8%	70,842	4.8%
Professional/Technical Contractual Svcs	6,050	1,390	1,175	1,500	27.7%	1,500	0.0%
Supplies	22,215	17,939	23,775	20,275	-14.7%	20,275	0.0%
Rents	8,164	9,154	7,200	14,455	100.8%	14,455	0.0%
Dues/Memberships/Subscriptions	480	990	2,550	2,595	1.8%	2,595	0.0%
Travel/Training/Meetings	2,498	1,555	2,350	1,150	-51.1%	1,150	0.0%
Other services/fees	31,999	24,309	36,200	36,850	1.8%	36,850	0.0%
Contributions to agencies/organizations	-	8,500	1,500	2,000	33.3%	2,000	0.0%
Total Program Budget	348,635	280,308	320,906	328,089	2.2%	336,799	2.7%
Funding Source							
General Fund	348,635	280,308	320,906	328,089		336,799	
Personnel Summary	1.70	1.70	1.70	1.80		1.80	

Significant Changes and Other Notes:

Supplies includes items needed for various events including Memorial and Veteran's Day as well as Marine Adoption Committee events.

Rents includes chair and table rentals for various events.

Contribution to agencies/organization includes donation toward support of Marine events.



**2015-2017 Budget
Program Summary
Recreation and Community Services-Community Services**

Program Description:

The Community Services program coordinates and partners with community organizations, educational institutions and the private sector to offer community-wide programs, classes and special events. These activities include Saddleback College's KSBR 88.5 FM Jazz Radio Station "KSBR Birthday Bash," American Cancer Society's "Relay for Life"; the Mission Viejo Activities Committee's "Santa's Arrival and Celebration," Fourth of July Street Faire, Gifts and Goodies Boutique, and Up In The Air.

This program also facilitates and coordinates the various citizen committee sponsored programs: Community of Character, Community of Character Youth sub-committee, Student Advisory Committee and the Senior Citizen Activities Committee. Community Services also provides support to the Mission Viejo Activities Committee; administers the Community Services funding program and Citizen Committee special events plus offers support services to community organizations and other City departments.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	93,681	76,950	61,499	44,657	-27.4%	94,501	111.6%
Benefits	32,131	43,183	25,452	16,417	-35.5%	33,437	103.7%
Professional/Technical Contractual Svcs	20,934	4,169	4,840	7,540	55.8%	7,540	0.0%
Maintenance/Repair Contractual Svcs	360	390	200	200	0.0%	200	0.0%
Supplies	7,982	6,548	4,900	8,600	75.5%	8,600	0.0%
Rents	3,560	2,449	1,000	13,300	1230.0%	13,300	0.0%
Dues/Memberships/Subscriptions	395	395	400	-	-100.0%	-	0.0%
Travel/Training/Meetings	117	54	1,800	1,800	0.0%	1,800	0.0%
Other services/fees	28,632	29,858	26,485	69,610	162.8%	19,610	-71.8%
Contributions to agencies/organizations	162,384	165,810	166,500	165,500	-0.6%	165,800	0.2%
Total Program Budget	350,176	329,806	293,076	327,624	11.8%	344,789	5.2%

Funding Source

General Fund	350,176	329,806	293,076	327,624	344,789
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Personnel Summary

	1.00	1.00	0.95	1.20	1.20
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Significant Changes and Other Notes:

Supplies includes items needed for Student Advisory Committee events as well as the Community of Character Committee mentoring program.

Other Services/fees includes instructors fees for youth, teen, adult and exercise classes, which are 100% offset by revenue. FY 2015/16 includes \$50,000 for hosting Special Olympics athletes. This appropriation is offset with \$30,000 in donation revenue.

Contributions to agencies/organizations includes support to the Mission Viejo Activities Committee for various events, including Up in the Air, 4th of July Street Faire, Santa's Arrival and Workshop, Holly Jolly Light Tour and Holiday Boutique.



**2015-2017 Budget
Program Summary
Recreation and Community Services-Norman P. Murray Community Center**

Program Description:

The primary use of the Norman P. Murray Community and Senior Center is to promote recreational, cultural, educational, and social programs for all age groups. Individuals and community groups are encouraged to use this center, which is available on a reservation basis. The Center recruits and manages an active citizen volunteer program and provides staff support to the Senior Citizen Activities Committee.

The Mission Viejo Senior Program offers planned activities, special events, classes and social support services for the community's seniors; partnerships are also developed with outside agencies and individuals to provide activities in education, creative arts, recreation, employment, health, nutrition, social services, and intergenerational events. The Center provides facility space and funding to Age Well Senior Services for on-site and home delivered meals as well as a case management program. Discounted taxi services and support of group transportation service to the on-site meal program is provided to qualified older adult residents. The Center also publishes a Crisis Resource Guide for caregivers of aging parents and administers an Emergency Watch Registry service for frail or homebound seniors and/or disabled residents.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	569,640	535,352	526,351	536,194	1.9%	523,223	-2.4%
Benefits	230,508	213,643	182,738	173,618	-5.0%	170,038	-2.1%
Professional/Technical Contractual Svcs	33,462	52,810	55,530	40,890	-26.4%	40,890	0.0%
Maintenance/Repair Contractual Svcs	15,630	16,421	17,300	17,300	0.0%	17,300	0.0%
Supplies	20,075	20,679	21,590	21,940	1.6%	21,940	0.0%
Rents	84	28	8,540	-	-100.0%	-	0.0%
Dues/Memberships/Subscriptions	1,076	53	150	150	0.0%	150	0.0%
Travel/Training/Meetings	414	751	1,500	1,500	0.0%	1,500	0.0%
Other services/fees	155,215	173,148	220,452	204,542	-7.2%	204,542	0.0%
Capital outlay	-	-	2,500	7,500	0.0%	7,500	0.0%
Total Program Budget	1,026,104	1,012,885	1,036,651	1,003,634	-3.2%	987,083	-1.6%
Funding Source							
General Fund	883,712	843,788	811,926	889,634		873,083	
Senior Center Operations Fund	142,392	169,097	224,725	-		-	
Senior Mobility Grant Fund	-	-	-	114,000		114,000	
Total Program Budget	1,026,104	1,012,885	1,036,651	1,003,634		987,083	
Personnel Summary	8.175	8.175	7.225	6.750		6.750	

Significant Changes and Other Notes:

This budget proposes closing the Senior Center Operation Fund to the General Fund.
 Professional/Technical Contractual Services includes financial service fees for credit card processing as well as services for various events including the Korean War veteran's event, twilight dinners and Age Well Senior Meals program.
 Maintenance/Repair Contractual Services includes building related maintenance as well as copier maintenance.
 Rents includes table, chair and linen rental for special events.
 Other services/fees includes Instructor fees for contract classes and excursion program costs, which are 100% offset by revenue.
 Senior transportation program costs are also included in the category. These costs are funded by outside grant resources.



**2015-2017 Budget
Program Summary
Recreation and Community Services-Recreation**

Program Description:

This program plans, organizes and conducts, via contract services, a variety of Citywide recreational programs for youth. Examples of some of the programs include year-round Kids Factory drop-in recreational activities (e.g., games, crafts, sports, walking excursions, etc.) for elementary school-age children, plus youth special events (e.g., “Bunny Days,” “Hometown Halloween,” “A Visit with Santa,” and “North Pole Calling”) as well as inclusionary programs for youths with special needs. The Recreation program is also responsible for one hundred and twenty-five scheduling matrices for City game fields, practice fields, and turf areas for over 9,000 registered youth sports participants in Mission Viejo.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	90,435	87,689	92,241	102,003	10.6%	86,987	-14.7%
Benefits	34,692	50,763	34,289	34,900	1.8%	29,859	-14.4%
Professional/Technical Contractual Svcs	602	427	500	-	0.0%	-	0.0%
Supplies	37	-	-	-	0.0%	-	0.0%
Travel/Training/Meetings	500	204	-	-	0.0%	-	0.0%
Other services/fees	758,608	725,173	742,000	742,000	0.0%	764,000	3.0%
Total Program Budget	884,874	864,256	869,030	878,903	1.1%	880,846	0.2%
Funding Source							
General Fund	884,874	864,256	869,030	878,903		880,846	
Personnel Summary							
	1.30	1.30	1.30	1.00		1.00	

Significant Changes and Other Notes:

Other services/fees includes contract with Saddleback Valley Unified School District for Kid's Factory and other afterschool programs and community-wide special events, including Bunny Days and Hometown Halloween.



**2015-2017 Budget
Program Summary
Recreation and Community Services-Montanoso Recreation Center**

Program Description:

The Montanoso Recreation and Fitness Center provides diversified programs such as fitness training, aerobics, babysitting, recreational and lap swimming, martial arts, tennis and basketball.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	433,426	460,998	491,979	490,683	-0.3%	505,734	3.1%
Benefits	148,890	156,821	153,503	148,584	-3.2%	154,868	4.2%
Professional/Technical Contractual Svcs	33,340	34,261	33,000	32,300	-2.1%	31,500	-2.5%
Maintenance/Repair Contractual Svcs	7,969	6,666	3,000	3,500	16.7%	3,500	0.0%
Supplies	37,931	26,349	27,850	27,200	-2.3%	27,200	0.0%
Rents	4,024	812	-	-	0.0%	-	0.0%
Utilities	74,334	82,199	76,500	76,500	0.0%	76,500	0.0%
Dues/Memberships/Subscriptions	213	241	300	650	116.7%	650	0.0%
Travel/Training/Meetings	2,528	3,302	4,000	5,400	35.0%	5,400	0.0%
Other services/fees	109,051	106,939	106,700	111,550	4.5%	111,550	0.0%
Capital outlay	20,311	5,893	32,000	16,000	-50.0%	-	-100.0%
Total Program Budget	872,017	884,481	928,832	912,367	-1.8%	916,902	0.5%
Funding Source							
General Fund	872,017	884,481	896,832	912,367		916,902	
CEFV Replacement Fund			32,000	-		-	
Total Program Budget	872,017	884,481	928,832	912,367		916,902	
Personnel Summary	6.50	6.50	6.00	6.20		6.20	

Significant Changes and Other Notes:

Professional/Technical Contractual Services includes financial services for processing credit cards.
 Supplies includes items needed for fitness center and aerobics studio, pool and lifeguard supplies, babysitting supplies, and staff uniforms.
 Other services/fees includes exercise instructor fees, which are 100% offset by instructor fee revenue.
 Capital outlay includes fitness equipment replacements for treadmills, ellipticals and presses.



**2015-2017 Budget
Program Summary
Recreation and Community Services-Sierra Recreation Center**

Program Description:

The Sierra Recreation and Fitness Center provides fitness training, public tennis courts, aqua aerobics, recreation and lap swimming and basketball.

Category Expenditure Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Amended Budget	FY 2015/16 Adopted	% Change from Prior Year	FY 2016/17 Adopted	% Change from Prior Year
Salaries & wages	404,879	402,465	441,590	426,014	-3.5%	447,449	5.0%
Benefits	114,292	124,024	148,759	121,210	-18.5%	126,809	4.6%
Professional/Technical Contractual Svcs	431	1,684	-	1,500	100.0%	1,500	0.0%
Maintenance/Repair Contractual Svcs	5,033	3,648	3,100	3,100	0.0%	3,100	0.0%
Supplies	11,457	7,420	14,650	20,900	42.7%	20,000	-4.3%
Utilities	58,826	69,817	64,000	68,500	7.0%	68,500	0.0%
Dues/Memberships/Subscriptions	-	-	-	525	0.0%	525	0.0%
Travel/Training/Meetings	6	120	-	-	0.0%	-	0.0%
Other services/fees	30,692	50,172	57,950	62,450	7.8%	62,450	0.0%
Capital outlay	9,199	-	15,500	7,700	-50.3%	-	-100.0%
Total Program Budget	634,815	659,350	745,549	711,899	-4.5%	730,333	2.6%
Funding Source							
General Fund	634,815	659,350	730,049	711,899		730,333	
CEFV Replacement Fund	-	-	15,500	-		-	
Total Program Budget	634,815	659,350	745,549	711,899		730,333	
Personnel Summary	4.606	4.606	4.606	4.606		4.606	

Significant Changes and Other Notes:

Supplies includes items needed for the fitness center and pool as well as lifeguard supplies and staff uniforms.

Other services/fees includes exercise instructor fees, which are 100% offset by instructor fee revenue.

Capital outlay includes fitness equipment replacements for treadmills, ellipticals and stepmills.



**2015-2017 Budget
Program Summary
Recreation and Community Services-Marguerite Tennis Center**

Program Description:

Marguerite Tennis Center has a total of eight tennis courts and provides year-round tennis opportunities and programs to meet the varying needs of the community.

Category Expenditure Summary	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	% Change	FY 2016/17	% Change
	Actual	Actual	Amended Budget	Adopted	from Prior Year	Adopted	from Prior Year
Salaries & wages	165,090	178,156	171,085	178,579	4.4%	184,540	3.3%
Benefits	54,180	46,384	49,509	43,933	-11.3%	45,956	4.6%
Professional/Technical Contractual Svcs	5,229	28,146	14,540	14,140	-2.8%	14,140	0.0%
Maintenance/Repair Contractual Svcs	1,097	1,269	250	750	200.0%	750	0.0%
Supplies	16,218	28,604	27,050	13,400	-50.5%	13,400	0.0%
Insurance	-	1,639	1,500	1,500	0.0%	1,500	0.0%
Rents	-	6,982	9,700	8,700	-10.3%	8,700	0.0%
Utilities	24,135	27,573	28,400	28,400	0.0%	28,400	0.0%
Dues/Memberships/Subscriptions	-	155	-	175	100.0%	175	0.0%
Travel/Training/Meetings	-	279	-	-	0.0%	-	0.0%
Other services/fees	80,039	210,069	191,950	159,100	-17.1%	159,100	0.0%
Total Program Budget	345,988	529,256	493,984	448,677	-9.2%	456,661	1.8%
Funding Source							
General Fund	345,988	529,256	493,984	448,677		456,661	
Total Program Budget	345,988	529,256	493,984	448,677		456,661	
Personnel Summary	1.488	1.488	1.488	1.488		1.488	

Significant Changes and Other Notes:

Other services/fees includes tennis instructor fees, which are 100% offset by tennis fee revenue.



**2015-2017 Budget
Program Summary
Recreation and Community Services-Felipe Tennis Center**

Program Description:

Felipe Tennis Center has a total of six tennis courts and provides year-round tennis opportunities and programs to meet the varying needs of the community.

Category Expenditure Summary	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15		% Change from Prior Year	FY 2016/17		% Change from Prior Year
			Amended Budget	FY 2015/16 Adopted		Adopted	Adopted	
Salaries & wages	111,670	121,925	123,356	122,681	-0.5%	126,535	3.1%	
Benefits	45,168	42,816	45,418	40,716	-10.4%	42,588	4.6%	
Professional/Technical Contractual Svcs	407	407	600	600	0.0%	600	0.0%	
Maintenance/Repair Contractual Svcs	136	48	750	1,250	100.0%	1,250	0.0%	
Supplies	609	1,909	2,000	3,000	50.0%	2,000	-33.3%	
Utilities	23,120	12,447	16,500	18,000	9.1%	18,000	0.0%	
Other services/fees	48,443	45,460	36,000	45,000	25.0%	45,000	0.0%	
Total Program Budget	229,553	225,012	224,624	231,247	2.9%	235,973	2.0%	
Funding Source								
General Fund	229,553	225,012	224,624	231,247		235,973		
Total Program Budget	229,553	225,012	224,624	231,247		235,973		
Personnel Summary	1.531	1.531	1.531	1.531		1.531		

Significant Changes and Other Notes:

Other services/fees includes tennis instructor fees, which are 100% offset with tennis fee revenue.



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2015-2017 Budget
Adopted Capital Improvement Program and Funding Summary

FY 2015-16

CIP #	CIP Description	General Fund 101	Gas Tax Fund 211	AQMD Fund 219	Park Development Fees 245	CDBG 260	SCRIPT 262	Measure M2 Fund 267	M2 ECP 275	MWDOC 277	M2 APM Grant Fund 279	TOTALS
325	Marguerite Aquatics Complex Rehab	-	-	-	700,000	-	-	-	-	-	-	700,000
304	Pavion Park Restroom	-	-	-	500,000	-	-	-	-	-	-	500,000
305	El Dorado Playground Renovations 15/16	650,000	-	-	-	-	-	-	-	-	-	650,000
837	Marguerite/Trabuco Pavement Rehab	-	-	-	-	-	-	100,000	-	-	-	100,000
836	Sidewalk Repair	-	25,000	-	-	-	-	-	-	-	-	25,000
838	Residential Resurfacing 2015	-	2,028,960	-	-	213,000	-	1,258,040	-	-	-	3,500,000
225	Marguerite Parkway Alicia to Alarcon	-	300,000	-	-	-	-	-	200,000	40,000	-	540,000
224	Felipe/Oso Intersection Improvements	-	-	-	-	-	500,000	-	-	-	-	500,000
226	Oso/I-5 Northbound On-Ramps Improvmt	-	-	-	-	-	100,000	-	-	-	-	100,000
227	Alicia Parkway Traffic Signal Synch	-	-	170,000	-	-	-	-	-	-	-	170,000
228	Safety Lighting LED Conversion*	50,000	-	-	-	-	-	-	-	-	-	50,000
TOTALS		\$ 700,000	\$ 2,353,960	\$ 170,000	\$ 1,200,000	\$ 213,000	\$ 600,000	\$ 1,358,040	\$ 200,000	\$ 40,000	\$ -	\$ 6,835,000

FY 2016-17

CIP #	CIP Description	General Fund 101	Gas Tax Fund 211	AQMD Fund 219	Park Development Fees 245	CDBG 260	SCRIPT 262	Measure M2 Fund 267	M2 ECP 275	MWDOC 277	M2 APM Grant Fund 279	TOTALS
307	Park Restroom 16/17	500,000	-	-	-	-	-	-	-	-	-	500,000
306	Cordova Playground Renovations 16/17	650,000	-	-	-	-	-	-	-	-	-	650,000
837	Marguerite /Trabuco Pavement Rehab	-	300,000	-	-	-	-	800,000	-	-	500,000	1,600,000
836	Sidewalk Repair	-	25,000	-	-	-	-	-	-	-	-	25,000
838	Residential Resurfacing 2016	-	1,153,000	-	-	-	-	647,000	-	-	-	1,800,000
229	Marguerite Parkway Alarcon to La Barca	-	300,000	-	-	-	-	-	200,000	40,000	-	540,000
224	Felipe/Oso Intersection Improvements	-	-	-	-	-	1,000,000	-	-	-	-	1,000,000
226	Oso/I-5 Northbound On-Ramps Improvmt	-	-	-	-	-	650,000	-	-	-	-	650,000
228	Safety Lighting LED Conversion*	50,000	-	-	-	-	-	-	-	-	-	50,000
TOTALS		\$ 1,200,000	\$ 1,778,000	\$ -	\$ -	\$ -	\$ 1,650,000	\$ 1,447,000	\$ 200,000	\$ 40,000	\$ 500,000	\$ 6,815,000

Combined, 2015-17

CIP #	CIP Description	General Fund 101	Gas Tax Fund 211	AQMD Fund 219	Park Development Fees 245	CDBG 260	SCRIPT 262	Measure M2 Fund 267	M2 ECP 275	MWDOC 277	M2 APM Grant Fund 279	TOTALS
325	Marguerite Aquatics Complex Rehab	-	-	-	700,000	-	-	-	-	-	-	700,000
304	Pavion Park Restroom	-	-	-	500,000	-	-	-	-	-	-	500,000
307	Park Restroom 16/17	500,000	-	-	-	-	-	-	-	-	-	500,000
305	El Dorado Playground Renovations 15/16	650,000	-	-	-	-	-	-	-	-	-	650,000
306	Cordova Playground Renovations 16/17	650,000	-	-	-	-	-	-	-	-	-	650,000
837	Marguerite/Trabuco Pavement Rehab	-	300,000	-	-	-	-	900,000	-	-	500,000	1,700,000
836	Sidewalk Repair	-	50,000	-	-	-	-	-	-	-	-	50,000
838	Residential Resurfacing	-	3,181,960	-	-	213,000	-	1,905,040	-	-	-	5,300,000
225	Marguerite Parkway Alicia to Alarcon	-	300,000	-	-	-	-	-	200,000	40,000	-	540,000
229	Marguerite Parkway Alarcon to La Barca	-	300,000	-	-	-	-	-	200,000	40,000	-	540,000
224	Felipe/Oso Intersection Improvements	-	-	-	-	-	1,500,000	-	-	-	-	1,500,000
226	Oso/I-5 Northbound On-Ramps Improvmt	-	-	-	-	-	750,000	-	-	-	-	750,000
227	Alicia Parkway Traffic Signal Synch	-	-	170,000	-	-	-	-	-	-	-	170,000
228	Safety Lighting LED Conversion*	100,000	-	-	-	-	-	-	-	-	-	100,000
TOTALS		\$ 1,900,000	\$ 4,131,960	\$ 170,000	\$ 1,200,000	\$ 213,000	\$ 2,250,000	\$ 2,805,040	\$ 400,000	\$ 80,000	\$ 500,000	\$ 13,650,000

* General Fund money will come from Rule 20A revenue

**CITY OF MISSION VIEJO
2015-17 Capital Improvement Program**

PROJECT NUMBER/NAME: CIP 325 / Marguerite Aquatics Complex Pool Decking and Facility Rehabilitation
RESPONSIBLE DEPARTMENT: Public Services



PROJECT DESCRIPTION

Portions of the Marguerite Aquatics Complex were rehabilitated after the fire rebuild in 2004. The building was rebuilt along with a small portion of the pool decking adjacent to the building and 50 meter pool. The master plan was validated through an extensive process with input from the Mission Viejo Nadadores and the public and includes new pool decking for the three pool complex areas (Dive Well Pool, 50 Meter Pool and Activity Pool). The amenities for each area include new pool decking, pool plumbing, activity and sports lighting, ADA and access compliance, shade structures as well as modifications and or replacement of pool equipment enclosures and chemical separation areas. The master plan recommends the replacement of the smaller out buildings on the site including the Dive Team office trailer, the Activity pool “Swim America” trailer and the Nadadores event sales trailer. The plan calls for each of the buildings to be replaced with modular buildings. The project also includes energy conservation measures including variable speed motor detectors, efficient lighting, installation of drought tolerant plant material and efficient irrigation and transitioning the site to reclaimed irrigation water. The rehabilitation will also include the replacement of the iconic 10 meter dive tower.

The estimated budget for the Aquatics Complex CIP is \$7,742,942. This CIP form reflects only the anticipated cost for Design Development, Engineering and Project Management. The balance of the estimated budget will be appropriated at the time of construction award.

PURPOSE

Rehabilitate an out dated and antiquated aquatics facility.

ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET

There is no expected increase to operating expenses once these improvements have been completed.

PRIOR YEAR FUNDING

Prior Year Project Cost	Accumulated Budget	Actuals to Date	Appropriation Balance	FY 2014/15 Carryover
Land	-	-	-	-
Planning/Design	\$70,000	\$47,401	\$22,599	\$22,599
Construction	-	-	-	-
Total Cost	\$70,000	\$47,401	\$22,599	\$22,599

Prior Year Funding Source	Accumulated Budget	Actuals to Date	Appropriation Balance	FY 2014/15 Carryover
Park Fees Fund (245)	\$70,000	\$47,401	\$22,509	\$22,509
Total Cost	\$70,000	\$47,401	\$22,509	\$22,599

**CITY OF MISSION VIEJO
2015-17 Capital Improvement Program**

CURRENT AND FUTURE FUNDING

Project Cost	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Land	-	-	-	-	-	-	-	-
Planning/Design	\$700,000	-	-	-	-	-	-	\$700,000
Construction	-	-	-	-	-	-	-	-
Total Cost	\$700,000	-	-	-	-	-	-	\$700,000

Funding Source	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Park Fees Fund (245)	\$700,000	-	-	-	-	-	-	\$700,000
Total Cost	\$700,000	-	-	-	-	-	-	\$700,000

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**CITY OF MISSION VIEJO
2015-17 Capital Improvement Program**

PROJECT NUMBER/NAME: CIP 304 / Pavion Park Restrooms
RESPONSIBLE DEPARTMENT: Public Services



PROJECT DESCRIPTION:

Pavion Park Restroom Improvement was recommended by City Council on January, 19, 2015 as the number one priority restroom to be added to the city’s current inventory. This restroom is being placed at this park because the restrooms at the adjacent Phillip J Reilly School are far from the park and access is challenging. Soccer usage in the fall and winter seasons combined with the heavy usage of the recently renovated playground area requires that a restroom be placed at this park. Finally, the play area is designed to Universally Accessible Standards attracting a higher percentage of patrons with disabilities, which due to medications and other related conditions, require access to a restroom on a more frequent basis.

The project will include a small two (2) stall/side restroom facility, utility connections for water and power, hardscape and related landscape modifications. The restroom building being proposed is a prefabricated “shipped to the site” building.

PURPOSE:

The purpose of this project is to provide a convenient public restroom to playground users and soccer families.

ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET:

There is a net increase of \$11,000 per year to the current operating budget for daily maintenance.

NO PRIOR YEAR FUNDING

CURRENT AND FUTURE FUNDING

Project Cost	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Land	-	-		-	-	-	-	-
Planning/Design	\$35,000	-	-	-	-	-	-	\$35,000
Construction	\$465,000	-	-	-	-	-	-	\$465,000
Total Cost	\$500,000	-	-	-	-	-	-	\$500,000

Funding Source	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Park Fees Fund (245)	\$500,000	-	-	-	-	-	-	\$500,000
Total Cost	\$500,000	-	-	-	-	-	-	\$500,000

**CITY OF MISSION VIEJO
2015-17 Capital Improvement Program**

CURRENT AND FUTURE FUNDING

Project Cost	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Land	-	-	-	-	-	-	-	-
Planning/Design	-	-	-	-	-	-	-	-
Construction	\$650,000	-	-	-	-	-	-	\$650,000
Total Cost	\$650,000	-	-	-	-	-	-	\$650,000

Funding Source	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
General Fund (101)	\$650,000	-	-	-	-	-	-	\$650,000
Total Cost	\$650,000	-	-	-	-	-	-	\$650,000

**CITY OF MISSION VIEJO
2015-17 Capital Improvement Program**

PROJECT NUMBER/NAME: CIP 837/Arterial Highway Resurfacing Program
RESPONSIBLE DEPARTMENT: Public Works



PROJECT DESCRIPTION

Arterial roadways are non-residential streets, which consist of four or more lanes, and typically carry larger volumes of traffic. The Arterial Highway Resurfacing Program is an ongoing project, which resurfaces one or more of the City's arterial roadways each year. The FY 2015-16 and the FY 2016-17 projects will be combined into one larger project, which will address Marguerite Parkway between Trabuco Road and Santa Margarita Parkway and Trabuco Road between Marguerite Parkway and Los Alisos Boulevard.

PURPOSE

General roadway rehabilitation maintains the service life of the road, thereby reducing rehabilitation costs in the future.

ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET

This project will provide preventive maintenance and/or rehabilitation, which will reduce annual maintenance costs over the life of the pavement by an estimated average of 30% (Source: American Public Works Association).

PRIOR YEAR FUNDING

Prior year funding is for Fiscal Year 2014/15 only.

Prior Year Project Cost	Accumulated Budget	Actuals to Date	Appropriation Balance	Expected FY 2014/15 Carryover
Land	-	-	-	-
Planning/Design	\$40,630	-	\$40,630	\$40,630
Construction	\$2,746,426	\$2,253,818	\$492,608	\$492,608
O & M	\$13,713	\$16,853	(\$3,140)	(\$3,140)
Total Cost	\$2,800,769	\$2,270,671	\$530,098	\$530,098

Prior Year Funding Source	Accumulated Budget	Actuals to Date	Appropriation Balance	Expected FY 2014/15 Carryover
General Fund (101)	-	-	-	-
Gas Tax (211)	\$79,343	\$117,952	(\$38,609)	(\$38,609)
Measure M2 (267)	\$2,721,426	\$2,152,719	\$568,707	\$568,707
Total Cost	\$2,800,769	\$2,270,671	\$530,098	\$530,098

CITY OF MISSION VIEJO
2015-17 Capital Improvement Program

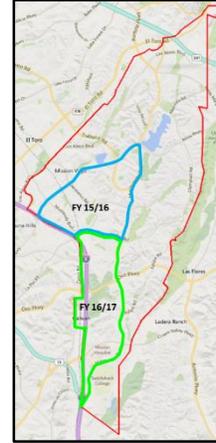
CURRENT AND FUTURE FUNDING

Project Cost	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Land	-	-	-	-	-	-	-	-
Planning/Design	\$100,000	-	-	-	-	-	-	\$100,000
Construction	-	\$1,600,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$6,600,000
O & M	-	-	-	-	-	-	-	-
Total Cost	\$100,000	\$1,600,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$6,700,000

Funding Source	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Gas Tax (211)	-	\$300,000	-	-	-	-	-	\$300,000
Measure M2 (267)	\$100,000	\$800,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$5,900,000
M2 APM (279)	-	\$500,000	-	-	-	-	-	\$500,000
Total Cost	\$100,000	\$1,600,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$6,700,000

**CITY OF MISSION VIEJO
2015-17 Capital Improvement Program**

PROJECT NUMBER/NAME: CIP 836/Sidewalk Repair
RESPONSIBLE DEPARTMENT: Public Works



PROJECT DESCRIPTION

Each year, a certain portion of the City's total sidewalk repair/replacement program is budgeted as a capital project to track with the residential resurfacing program. The resurfacing and sidewalk repair/replacement efforts are coordinated to minimize disruption to the community. The FY 2015/16 sidewalk repair/replacement program will focus on the residential area bounded by La Paz Road, Marguerite Parkway, Alicia Parkway, and the City boundary. The FY 2016/17 program will focus on the area bounded by La Paz Road, Marguerite Parkway, Avery Parkway, and the City boundary.

PURPOSE

Regular sidewalk repair provides a high-quality pedestrian circulation system. Smooth, unbroken pavement reduces incidences of tripping and falling, and is thus safer for pedestrians.

ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET

This project will provide preventive maintenance, which will help control or reduce street maintenance and risk management operating costs.

PRIOR YEAR FUNDING

Prior year funding is for Fiscal Year 2014/15 only.

Prior Year Project Cost	Accumulated Budget	Actuals to Date	Appropriation Balance	Expected FY 2014/15 Carryover
Land	-	-	-	-
Planning/Design	-	-	-	-
Construction	\$57,756	-	\$57,756	\$57,756
O & M	-	-	-	-
Total Cost	\$57,756	-	\$57,756	\$57,756

Prior Year Funding Source	Accumulated Budget	Actuals to Date	Appropriation Balance	Expected FY 2014/15 Carryover
Gas Tax (211)	\$7,756	-	\$7,756	\$7,756
Measure M2 (267)	\$50,000	-	\$50,000	\$50,000
Total Cost	\$57,756	-	\$57,756	\$57,756

**CITY OF MISSION VIEJO
2015-17 Capital Improvement Program**

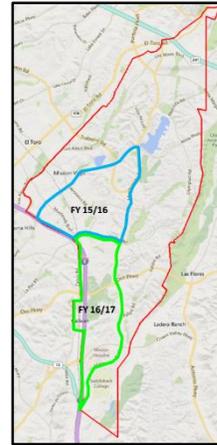
CURRENT AND FUTURE FUNDING

Project Cost	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Land	-	-	-	-	-	-	-	-
Planning/Design	-	-	-	-	-	-	-	-
Construction	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$175,00
O & M	-	-	-	-	-	-	-	-
Total Cost	\$25,000	\$175,000						

Funding Source	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Gas Tax (211)	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$175,000
Total Cost	\$25,000	\$175,000						

CITY OF MISSION VIEJO 2015-17 Capital Improvement Program

PROJECT NUMBER/NAME: CIP 838/Residential Resurfacing
RESPONSIBLE DEPARTMENT: Public Works



PROJECT DESCRIPTION

This program operates on a seven-year cycle, intended to prolong the pavement life of the City's residential streets and reduce major roadway rehabilitation costs in the future. Each year, one of the seven areas of the City's residential resurfacing program is budgeted as a capital project. The FY 2015/16 program will focus on the residential area bounded by La Paz Road, Marguerite Parkway, Alicia Parkway, and the City boundary. The FY 2016/17 program will focus on the area bounded by La Paz Road, Marguerite Parkway, Avery Parkway, and the City boundary.

PURPOSE

This program maintains the City's roadways, thereby lowering rehabilitation and replacement costs in the future.

ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET

This project will provide preventive maintenance and/or rehabilitation, which will help reduce annual maintenance costs over the life of the pavement by 30% (Source: American Public Works Association). Recurring resurfacing also reduces risk management costs.

PRIOR YEAR FUNDING

Prior year funding is for Fiscal Year 2014/15 only.

Prior Year Project Cost	Accumulated Budget	Actuals to Date	Appropriation Balance	Expected FY 2014/15 Carryover
Land	-	-	-	-
Planning/Design	\$20,000	\$20,000	-	-
Construction	\$3,719,446	\$2,178,615	\$1,540,831	\$1,540,831
O & M	\$77,707	\$18,699	\$59,008	\$59,008
Total Cost	\$3,817,153	\$2,217,314	\$1,599,839	\$1,599,839

Prior Year Funding Source	Accumulated Budget	Actuals to Date	Appropriation Balance	Expected FY 2014/15 Carryover
Gas Tax (211)	\$2,863,612	\$1,408,126	\$1,455,486	\$1,455,486
CDBG (260)	\$513,206	\$513,206	-	-
Measure M2 (267)	\$440,335	\$295,982	\$144,353	\$144,353
Total Cost	\$3,817,153	\$2,217,314	\$1,599,839	\$1,599,839

CITY OF MISSION VIEJO
2015-17 Capital Improvement Program

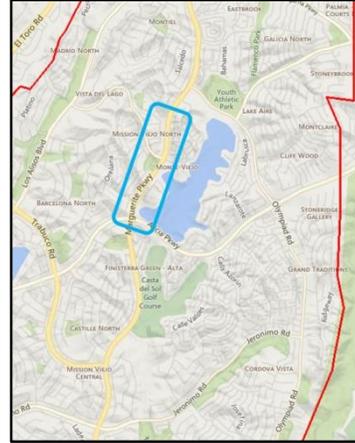
CURRENT AND FUTURE FUNDING

Project Cost	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Land	-	-	-	-	-	-	-	-
Planning/Design	-	-	-	-	-	-	-	-
Construction	\$3,500,000	\$1,800,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$15,300,000
O & M	-	-	-	-	-	-	-	-
Total Cost	\$3,500,000	\$1,800,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$15,300,000

Funding Source	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Gas Tax (211)	\$2,028,960	\$1,153,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$13,181,960
CDBG (260)	\$213,000	-	-	-	-	-	-	\$213,000
Measure M2 (267)	\$1,258,040	\$647,000	-	-	-	-	-	\$1,905,040
Total Cost	\$3,500,000	\$1,800,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$15,300,000

CITY OF MISSION VIEJO 2015-17 Capital Improvement Program

PROJECT NUMBER/NAME: CIP 225/Marguerite Parkway Median Rehabilitation—Alicia to Alarcon
RESPONSIBLE DEPARTMENT: Public Works



PROJECT DESCRIPTION

This project will be the next segment of the City’s phased effort to remove turf in the medians on Marguerite Parkway, install more water-friendly plant material and more water-efficient irrigation systems. Nearly half of the funding will come from grants provided by the Municipal Water District of Orange County (MWDOC) and Measure M2.

PURPOSE

This project will reduce water usage and water runoff (which will extend the life of the pavement on Marguerite Parkway) as well as beautify the medians.

ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET

This project is expected to have an insignificant impact on the operating budget.

NO PRIOR YEAR FUNDING

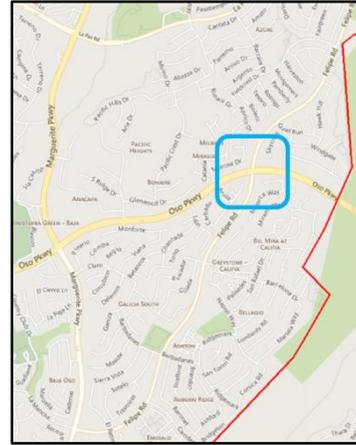
CURRENT AND FUTURE FUNDING

Project Cost	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Land	-	-	-	-	-	-	-	-
Planning/Design	\$50,000	-	-	-	-	-	-	\$50,000
Construction	\$490,000	-	-	-	-	-	-	\$490,000
Total Cost	\$540,000	-	-	-	-	-	-	\$540,000

Funding Source	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Gas Tax (211)	\$300,000	-	-	-	-	-	-	\$300,000
M2 ECP (275)	\$200,000	-	-	-	-	-	-	\$200,000
MWDOC (277)	\$40,000	-	-	-	-	-	-	\$40,000
Total Cost	\$540,000	-	-	-	-	-	-	\$540,000

CITY OF MISSION VIEJO 2015-17 Capital Improvement Program

PROJECT NUMBER/NAME: CIP 224/Felipe/Oso Intersection Improvements
RESPONSIBLE DEPARTMENT: Public Works



PROJECT DESCRIPTION

This project will widen the Oso Parkway/Felipe Road intersection to provide additional turn lanes. The project will be entirely developer-funded through the South County Roadway Improvement Program (SCRIP). It is expected that design and right-of-way acquisition will take place in FY 2015/16 and construction will take place in FY 2016/17.

PURPOSE

This project will increase the capacity of the Oso Parkway/Felipe Road intersection to improve operations and reduce traffic congestion.

ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET

This project is expected to have an insignificant impact on the operating budget.

NO PRIOR YEAR FUNDING

CURRENT AND FUTURE FUNDING

Project Cost	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Land	-	-	-	-	-	-	-	-
Planning/Design	\$500,000	-	-	-	-	-	-	\$500,000
Construction	-	\$1,000,000	-	-	-	-	-	\$1,000,000
Total Cost	\$500,000	\$1,000,000	-	-	-	-	-	\$1,500,000

Funding Source	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
SCRIP (262)	\$500,000	\$1,000,000	-	-	-	-	-	\$1,500,000
Total Cost	\$500,000	\$1,000,000	-	-	-	-	-	\$1,500,000

CITY OF MISSION VIEJO 2015-17 Capital Improvement Program

PROJECT NUMBER/NAME: CIP 226/Oso Parkway/I-5 Northbound On-Ramp Improvements
RESPONSIBLE DEPARTMENT: Public Works



PROJECT DESCRIPTION

This project will widen the entrance to the Oso Parkway northbound I-5 on-ramp from one lane to two lanes. This project will join the recently completed fourth westbound lane on Oso Parkway (CIP 791) to increase the roadway capacity at the freeway ramp entrance. The existing ramp is currently two lanes, except at the entrance, which creates a traffic chokepoint. The project will be completely developer-funded through the South County Roadway Improvement Program (SCRIP). Design is expected to commence in the latter part of 2015 and construction sometime in FY 2016/17.

PURPOSE

This project will increase the capacity of the Oso Parkway northbound I-5 on-ramp entrance to alleviate traffic congestion.

ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET

This project is not expected to have an impact on the operating budget.

NO PRIOR YEAR FUNDING

CURRENT AND FUTURE FUNDING

Project Cost	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Land	-	-	-	-	-	-	-	-
Planning/Design	\$100,000	-	-	-	-	-	-	\$100,000
Construction	-	\$650,000	-	-	-	-	-	\$650,000
Total Cost	\$100,000	\$650,000	-	-	-	-	-	\$750,000

Funding Source	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
SCRIP (262)	\$100,000	\$650,000	-	-	-	-	-	\$750,000
Total Cost	\$100,000	\$650,000	-	-	-	-	-	\$750,000

CITY OF MISSION VIEJO 2015-17 Capital Improvement Program

PROJECT NUMBER/NAME: CIP 227/Alicia Parkway Traffic Signal Synchronization
RESPONSIBLE DEPARTMENT: Public Works



PROJECT DESCRIPTION

This multi-agency project will synchronize 40 traffic signals (16 in Mission Viejo) along the Alicia Parkway corridor from Crown Valley Parkway in Laguna Niguel to Rustic Oak in Mission Viejo. Measure M Project P grant funding will fund 80% of the project costs with the agencies required to provide a 20% match. Mission Viejo's match requirement is \$170,000. Design is expected to commence in the latter part of 2015 with implementation of the new signal coordination in 2016.

PURPOSE

This project will facilitate traffic flow and reduce travel time along Alicia Parkway. It will also reduce vehicular idling and emissions.

ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET

This project is not expected to have an impact on the operating budget.

NO PRIOR YEAR FUNDING

CURRENT AND FUTURE FUNDING

Project Cost	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Land	-	-	-	-	-	-	-	-
Planning/Design	-	-	-	-	-	-	-	-
Construction	\$170,000	-	-	-	-	-	-	\$170,000
Total Cost	\$170,000	-	-	-	-	-	-	\$170,000

Funding Source	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
AQMD (219)	\$170,000	-	-	-	-	-	-	\$170,000
Total Cost	\$170,000	-	-	-	-	-	-	\$170,000

CITY OF MISSION VIEJO 2015-17 Capital Improvement Program

PROJECT NUMBER/NAME: CIP 228/Safety Lighting LED Conversion
RESPONSIBLE DEPARTMENT: Public Works



PROJECT DESCRIPTION

This project will use proceeds from the City's transfer of unused Rule 20A electrical undergrounding credits to fund the conversion of the City's traffic signal safety lights to more energy-efficient LED fixtures. It is intended to convert half of the fixtures in FY 2015/16 and the remaining half in FY 2016/17. A portion of the cost will be offset through incentive credits offered by SCE and SDG&E.

PURPOSE

This project will reduce the City's electrical costs as well as benefit the environment by reducing electricity usage.

ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET

This project will result in approximately \$10,000 in savings due to a reduction in energy use.

NO PRIOR YEAR FUNDING

CURRENT AND FUTURE FUNDING

Project Cost	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Land	-	-	-	-	-	-	-	-
Planning/Design	-	-	-	-	-	-	-	-
Construction	\$50,000	\$50,000	-	-	-	-	-	\$100,000
Total Cost	\$50,000	\$50,000	-	-	-	-	-	\$100,000

Funding Source	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
General Fund (101)	\$50,000	\$50,000	-	-	-	-	-	\$100,000
Total Cost	\$50,000	\$50,000	-	-	-	-	-	\$100,000

Note: The General Fund revenue for this project will come from Rule 20A revenue.

**CITY OF MISSION VIEJO
2015-17 Capital Improvement Program**

PROJECT NUMBER/NAME: CIP 307 / Year 2 Park Restrooms
RESPONSIBLE DEPARTMENT: Public Services

PROJECT DESCRIPTION:

This page acts as a placeholder for the park restroom installation in a second park during FY 16-17. Once the park is identified this page will be updated with additional information.

The scope of this project will be determined based on the needs of the selected location.

PURPOSE:

The purpose of this project is to provide a convenient public restroom to playground users and soccer families.

ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET:

There is a net increase of \$11,000 per year to the current operating budget for daily maintenance.

NO PRIOR YEAR FUNDING

CURRENT AND FUTURE FUNDING

Project Cost	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Land	-	-		-	-	-	-	-
Planning/Design	\$35,000	-	-	-	-	-	-	\$35,000
Construction	\$465,000	-	-	-	-	-	-	\$465,000
Total Cost	\$500,000	-	-	-	-	-	-	\$500,000

Funding Source	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
General Fund (101)	\$500,000	-	-	-	-	-	-	\$500,000
Total Cost	\$500,000	-	-	-	-	-	-	\$500,000

**CITY OF MISSION VIEJO
2015-17 Capital Improvement Program**

PROJECT NUMBER/NAME: CIP 306 / Cordova Park Playground Rehabilitation
RESPONSIBLE DEPARTMENT: Public Services



PROJECT DESCRIPTION:

Cordova Park play area was originally built under the County of Orange standards in the mid 1970's. Minor ADA improvements were accomplished in the mid 1990's and some play equipment was replaced both in the 90's and in 2008. Cordova Park play area is at the extreme north end of a large and long open space that meanders through the Cordova home neighborhood. This playground is heavily used by the local neighborhood with many young families that live nearby. This project will include hardscape modifications, new play equipment, updated landscape, irrigation and energy efficient lighting surrounding the play area.

PURPOSE:

The purpose of this project is to rehabilitate the existing playground and to develop the site to meet current access standards.

ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET:

There is no net increase to the current operating budget.

NO PRIOR YEAR FUNDING

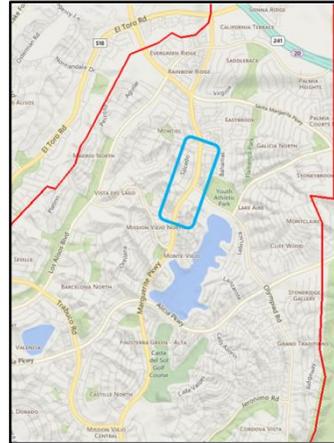
CURRENT AND FUTURE FUNDING

Project Cost	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Land	-	-	-	-	-	-	-	-
Planning/Design	-	\$50,000	-	-	-	-	-	\$50,000
Construction	-	\$600,000	-	-	-	-	-	\$600,000
Total Cost	-	\$650,000	-	-	-	-	-	\$650,000

Funding Source	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
General Fund (101)	-	\$650,000	-	-	-	-	-	\$650,000
Total Cost	-	\$650,000	-	-	-	-	-	\$650,000

CITY OF MISSION VIEJO 2015-17 Capital Improvement Program

PROJECT NUMBER/NAME: CIP 229/Marguerite Parkway Median Rehabilitation—Alarcon to La Barca
RESPONSIBLE DEPARTMENT: Public Works



PROJECT DESCRIPTION

This project will be the next segment of the City’s phased effort to remove turf in the medians on Marguerite Parkway, install more water-friendly plant material and more water-efficient irrigation systems. Nearly half of the funding will come from grants provided by the Municipal Water District of Orange County (MWDOC) and Measure M2.

PURPOSE

This project will reduce water usage and water runoff (which will extend the life of the pavement on Marguerite Parkway) as well as beautify the medians.

ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET

This project is expected to have an insignificant impact on the operating budget.

NO PRIOR YEAR FUNDING

CURRENT AND FUTURE FUNDING

Project Cost	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Land	-	-	-	-	-	-	-	-
Planning/Design	-	\$50,000	-	-	-	-	-	\$50,000
Construction	-	\$490,000	-	-	-	-	-	\$490,000
Total Cost	-	\$540,000	-	-	-	-	-	\$540,000

Funding Source	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Gas Tax (211)	-	\$300,000	-	-	-	-	-	\$300,000
M2 ECP (275)	-	\$200,000	-	-	-	-	-	\$200,000
MWDOC (277)	-	\$40,000	-	-	-	-	-	\$40,000
Total Cost	-	\$540,000	-	-	-	-	-	\$540,000



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CITY OF MISSION VIEJO 2015-17 Master Financial Plan



The City of Mission Viejo has been preparing a Master Financial Plan (MFP) as part of its budget development process since 1993. City Council policy currently calls for the MFP to be updated every two years.

This long-range forecasting model is an integral part of the City's budget process. It is used to project General Fund revenue, expenditures, transfers and capital outlay for the upcoming two-year budget cycle and an additional five years out. The MFP allows for a deeper analysis of how past and current spending decisions will affect future operating costs.

This MFP was prepared as part of the 2015-2017 budget process and focuses on General Fund revenue and expenditures for 2015-17 plus an additional five years of projections, out to FY 2021/22.

The Master Financial Plan is not only used to help develop a balanced budget, it provides essential information on projected General Fund group fund balances ("discretionary reserves") and allows for analysis of the amount of resources available to fund equipment replacement as well as asset rehabilitation and repair. The long-range nature of the MFP also allows management and staff to be more proactive in budget planning, using the seven years of projections to plan for anticipated swings in revenue or expenditures. This forecast sets the stage for financial planning but it does not represent formally adopted revenues and expenditures. It provides context for considering the City's ability to continue current services, maintain existing assets and/or fund new initiatives.

The Value of "The Longer Look"

The two year budget document focuses on the upcoming two-year fiscal period in detail. It is comprehensive and presents information for all City departments and all City funds on a program and detailed object level. Programmatic accomplishments and goals as well as financial results and estimates to accomplish the goals are presented. Historical data is presented for both revenue and expenditure appropriations, along with information for the current budget year and the upcoming two years.

The MFP on the other hand takes a longer look, both in retrospect and prospectively. The longer look back provides greater historical context and helps to substantiate the estimates and projections going forward. The longer planning horizon going forward better illustrates the impact of current decisions and assumptions on future financial positions. For example, the impact of seemingly small differences in current growth rates will magnify over time and their impact will be seen more clearly in a plan with a longer horizon than that of a two-year budget.

What the 2015-2022 Revenue Forecast Tells Us

The 2015-22 revenue forecast included in this master financial plan update indicates that the effects of the worst recession in seventy years are waning and this forecast provides a clear indication that the City is benefiting from a continuously improving economic climate. We have seen a gradual increase in tax receipts following the decline during FY 2008 through FY 2010. Property tax and sales tax receipts represent about 80% of General Fund revenue. Slowly increasing tax receipts are a sign of economic improvement. However, in the long-term, most economic models project that tax revenues are in an upward trend. This MFP anticipates a gradual recovery. Overall, the 2015-2022 revenue forecast is positive when compared to prior historical periods. For example, total General Fund revenue is projected to grow an average of 2.69% over the seven-year forecasting period (FY 2015/16 through FY 2021/22). This compares favorably to the 0.71% average rate of change for the prior seven year period.



CITY OF MISSION VIEJO 2015-17 Master Financial Plan



What the 2015-2022 Expenditure Plan Will Accomplish

Staff has developed a seven-year expenditure plan that allows the City to successfully navigate the challenging economic times which still lie ahead. While the recession officially ended in June, 2009, the City is maintaining a conservative approach to future expenditure planning. This is a prudent approach as the economy moves forward at a gradual pace.

The first two years of the plan (the current 2015-17 proposed budget) presents a balanced budget that maintains General Fund reserves at 50%. This was accomplished through continued reductions in staffing and prudent increases to operating expenditures. Each year thereafter the plan remains balanced and generates revenues in excess of operating expenditures and operating transfers. The City Council policy of maintaining a reserve level at 50% of General Fund revenues is maintained every year of the plan and there are no draws on reserves after FY 15/16. In fact, the plan shows that as revenue begins to grow at a faster rate than expenditures there will be an availability of funds to 1) surpass the 50% target level, or 2) fund one-time projects.

Expenditures are carefully controlled every year of the plan within available resources. Public safety is given priority and continues to be the program area receiving the greatest portion of General Fund resources over the next seven years. Personnel expenditures will be tightly managed and, for the seven years covered by the plan, there is no increase to current staffing levels. A minimum amount of funding from the General Fund has been made available for park and playground maintenance.

Rapidly escalating cost of retirement and insurance programs was addressed in FY 2014/15 by City Council action to reduce unfunded liabilities in both programs by making large one-time payments. The City Council chose to address the unfunded liabilities for the City's CalPERS Pension Plan and Retiree Medical Plan by making additional one-time payments. The goal was to reduce the pension plan unfunded liability and completely pay off the Retiree Medical Plan unfunded liability by June 30, 2016. Other pension plan reform measures such as the establishment of a second and third tier of pension benefits will further reduce the City's long term pension plan obligations. About 20% of the City's workforce is now covered by the second and third tier benefits program.

The City's reserve level going forward of 50% of annual General Fund revenues will give us a substantial cushion for absorbing unforeseen events. The City's reserves can also shield the City if another recession occurs. These reserves are an essential first line of defense against unexpected economic emergencies or natural disaster.

GENERAL FUND REVENUE FORECAST AND EXPENDITURE PLAN – 2015-2022

Orange County Economic Forecast

Mission Viejo's financial forecasting method is based on assessments made by local economists of the local, regional and national economies. These assessments and assumptions set the baseline for projecting the rates of change of Mission Viejo's revenues and expenditures. The City utilizes Chapman University and UCLA's Anderson School local economic forecast presentations and publications.

Given the timing of the 2015-2022 MFP update, and its use in developing the 2015-17 budget, the December 2014 Chapman University economic update was utilized as the primary basis for the revenue and expenditures projections contained herein. The basic tenets of that forecast, along with additional research conducted by Finance staff were utilized for the current master financial plan update.

The theme of Chapman University forecast can be summed up as slow, gradual growth. The weak national recovery will continue at its slow pace. Job growth is improving slowly and the housing sector



**CITY OF MISSION VIEJO
2015-17 Master Financial Plan**



shows signs of recovery. Looking locally, the same trends hold as on the national scale: job creation is slow but steady.

Orange County employment growth was 2.5 percent in 2013. The Chapman forecast projects Orange County job growth of 2.1 percent and 2.6 percent in 2014 and 2015, respectively. Orange County’s labor force increases at an annual average of one percent. Based on Chapman’s projected employment growth rates, a gradual decline in the unemployment rate is expected. Projected job growth along with declining unemployment rates will have a positive impact on personal income and consumer spending. However, the cost of living continues to increase as seen in increasing gasoline prices. Chapman projects that Orange County consumers will be able to absorb higher costs of living resulting in more discretionary income to save or spend. Overall, taxable sales in Orange County are forecast to increase by 5.9 percent and 6.1 percent in 2014 and 2015 respectively.

The decline in home prices combined with low mortgage rates increased housing affordability in Orange County and improved housing demand. However, credit is tight due to more stringent loan qualification requirements. Tougher credit requirements make it difficult for those who experienced foreclosures and short-sales to qualify for a mortgage to purchase a home. These factors have led to an increase in rents in Orange County. Higher demand and shrinking supply are cited as reasons to expect median home prices to increase by 5.7 percent in 2014 and 4.0 percent in 2015.

Bottom line, this recovery will continue along a steady path of growth. In light of this forecast for gradual economic growth, Chapman projects that interest rates will stay generally low with some pickup starting at year-end 2015.

Measurement Period	Annual CPI-U Rate United States	Annual CPI- U Rate LA Riverside - OC	Annual CPI-U Rate California
Average 2000-2014	2.4%	2.6%	2.6%
Average 2010-2014	2.0%	1.7%	1.9%
2014 Chapman Univ Forecast	2.3%	2.4%	2.4%

Most recent economic forecasts project that near-term inflation is to remain at low levels. The June, 2014 Chapman University forecast projects Orange County inflation to be 2.4% in 2015, this compares with a historical average (2000-2014) of 2.6% for the Los Angeles-Orange County-Riverside area (see table). The expenditure projections of the MFP will reflect this level of inflation projection for the major

contract services such as the monthly landscaping, and street maintenance. The growth in other expenditures will be tightly controlled and is projected to grow at a slower 2% rate.

Mission Viejo and other South Orange County cities fared better than many other cities and areas of the State and nation during the economic downturn. The fact that we are still a relatively new community, that we operate as a contract city, and that our financial management policies and levels of reserves provide a greater degree of flexibility than older, non-contract cities to respond to changing conditions, provide a basis for optimism looking forward.



**CITY OF MISSION VIEJO
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Methodology/Assumptions

The master financial plan projects revenues, expenditures and discretionary reserves in the General Fund, which finances the bulk of the City’s major operations. The period of the revenue forecast and expenditure plan includes the two years of the 2015-17 adopted budget, and then five additional years through FY 2021/22. Each major individual area of revenue and expenditure is accompanied by seven years of historical data in order to provide context for the forecasts and related discussions.

Many of the revenue and expenditure forecasts in the plan are driven by key assumptions about inflation rates, projected changes to the City’s population and interest rate forecasts. As stated in the previous section, the Chapman University forecast (as well as supporting data from the UCLA Anderson School) is that inflation rates will remain relatively low. The inflation rate forecast for 2015-2022 averages 2.0 - 2.3%. Historical Bureau of Labor Statistics “Los Angeles-Riverside-Orange County” consumer price index (CPI) data shows the average inflation rate was 2.6% from 2000-2014 and 1.7% from 2010-2014 (see table on previous page).

The City’s population, which was 96,652 as of January 1, 2015 per the State Department of Finance, is projected to grow to 98,285 by 2022. The current city limits are essentially built-out, with only limited capability of increases in population. There are two housing projects underway, Watermarke and Skyridge. Skyridge required an annexation of unincorporated Orange County land in the northern part of the City. These are relatively small developments and should not require a significant increase in services.

Interest rates are also projected to start rising over the course of the next seven years. The Federal Reserve has held its key interest rate near zero but loosening is expected over the next year and interest rates in general are expected to begin to grow over the seven years of this plan. The forecast is for gradual increases in the rate of return of the City’s investment portfolio, topping out at approximately 5% in 2022.

Other assumptions in this forecast are based on historical trends of revenues and expenditures, and/or on information from other agencies or consulting groups, including the County of Orange (property tax estimates), the Public Employees Retirement System (retirement rates), and HdL Companies (sales and property tax data).

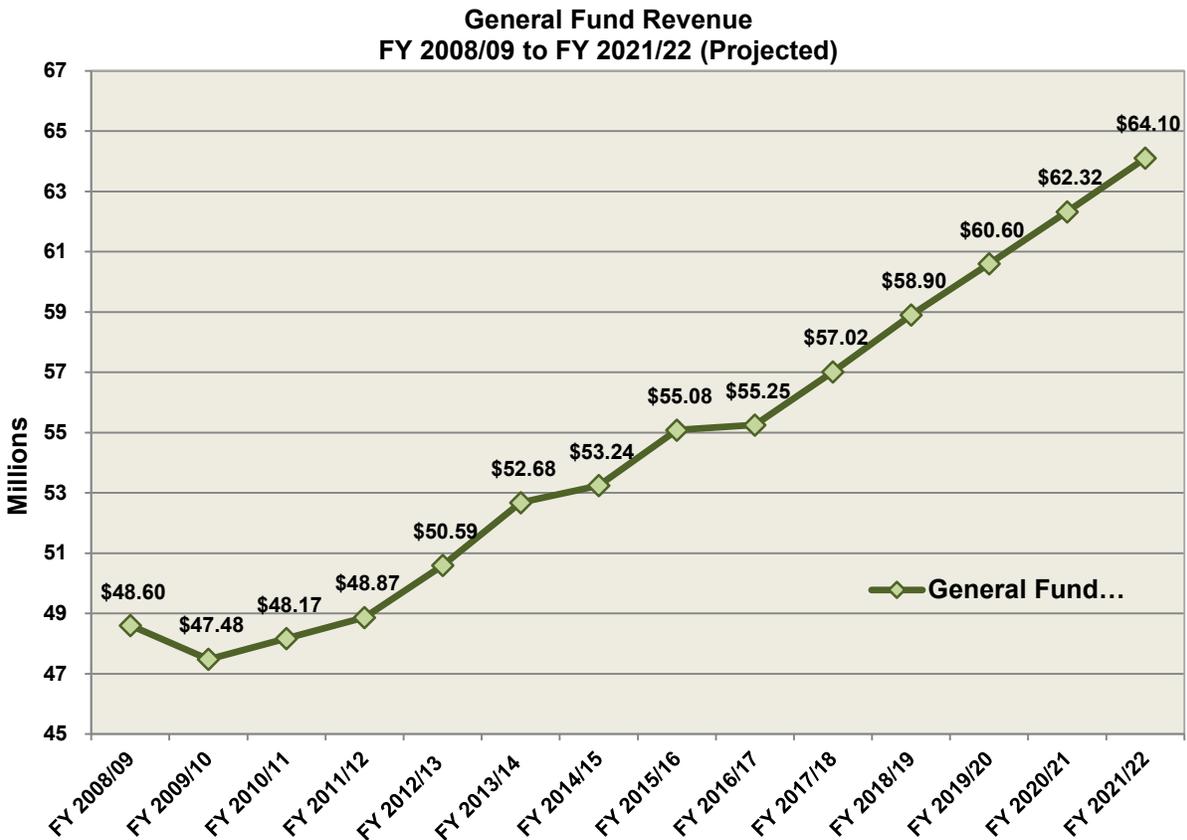
General Fund Revenue

2009-2015 Average Annual Growth Rate:	0.71%
2016-2022 Projected Average Annual Growth Rate:	2.69%

General Fund revenues are comprised of various individual revenue sources, the most significant being property tax and sales tax. Those two revenue sources combined account for 81% of all General Fund revenue in the 2015-17 proposed budget.



**CITY OF MISSION VIEJO
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The City has been fortunate to have a very strong and diversified revenue base since incorporation. However, even this diversification was not enough to shield the city from the Great Recession. The FY 2010/11 budget saw General Fund revenues begin to recover.

As with the two-year budget, the General Fund revenue forecast forms the foundation of the Master Financial Plan. The 2015-17 proposed budget projects revenues to grow an average of 1.85%, when compared to the FY 2014/15 amended budget. For the out years of the MFP forecast (FY 2015/16 to FY 2021/22), annual revenue growth is projected to be approximately 2.69%.

The seven-year forecast – which includes the 2015-17 proposed budget – presents a modest growth outlook. It should be noted that these projections are predicated on the assumption that the economy has recovered; will continue to grow at a slow to moderate pace; and another recession in the near-term is avoided.

Within total General Fund revenues, the five most significant individual revenue sources to watch during the next seven years are: (1) property tax revenue; (2) sales tax revenue; (3) franchise tax revenue; (4) development-related revenues, and (5) recreation revenues. These revenue streams will be discussed in greater detail in the following pages.



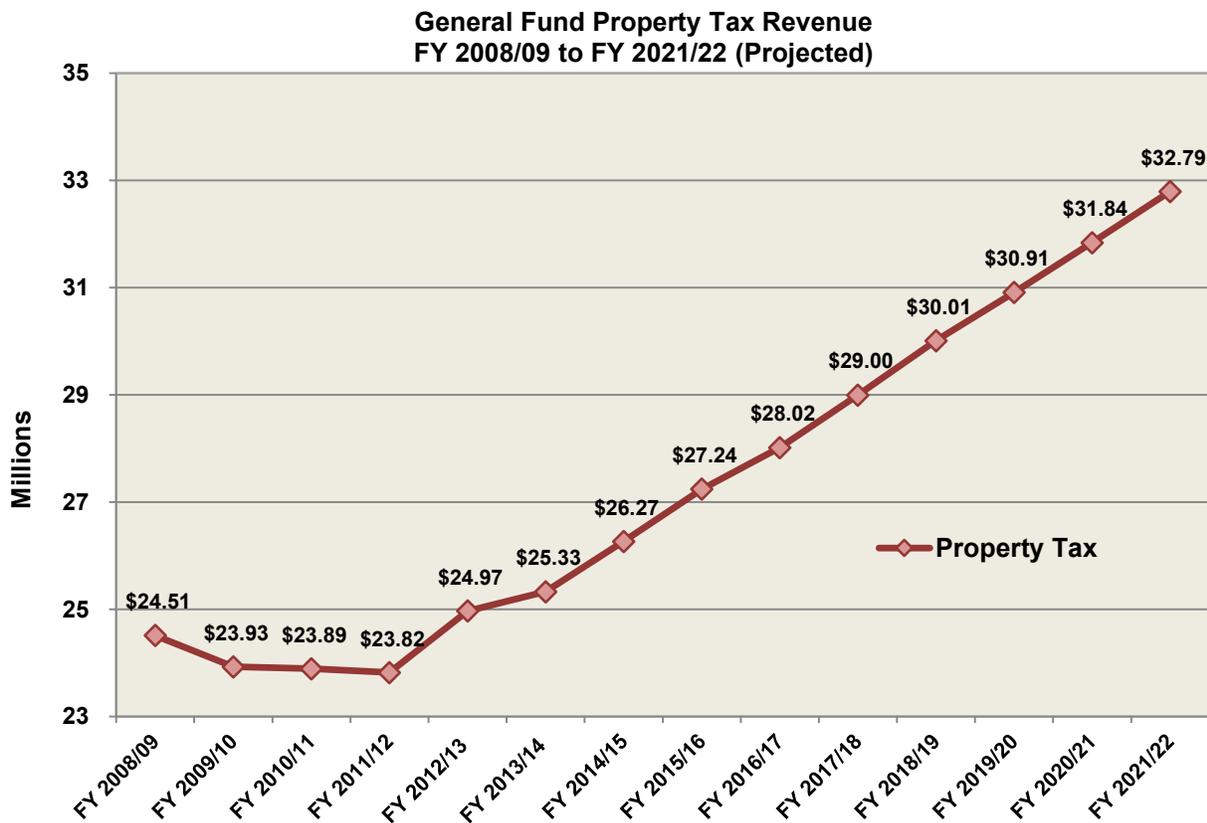
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Property Tax Revenue

2009-2015 Average Annual Growth Rate:	0.98%
2016-2022 Projected Average Annual Growth Rate:	3.22%

Property tax revenue accounts for about 50% of total General Fund revenues, representing the City's largest single revenue source. The strength of the City's underlying property tax base has been a prime factor in the City's financial stability over the years. Assessed values in Orange County have been increasing since the end of the recession. The City's total assessed value of property (secured and unsecured) is approximately \$13.6 billion (as recorded by the Orange County Auditor/Controller and updated for the 2014/15 fiscal year which began July 1, 2014).



This amount represents an increase of 2.3% over the prior fiscal year. The City's assessed value increased an average of 2.5% from FY 2011/12 to FY 2014/15. Included in the State budget deal with local governments in 2004-05 was a permanent redistribution of two of the City's revenue sources. Under this agreement, the Vehicle License Fee (VLF) rate for cities was permanently reduced from 2% to 0.65% and has since been shifted again such that the City no longer receives VLF revenue. In 2005-06 the City began receiving monthly payments at the lower rate while the remaining amount which is known as VLF in-lieu revenue, was added to the property tax base and is paid to the City in semi-annual installments. The rate of increase in the VLF in-lieu monies is tied to the growth rate of the City's property tax assessed valuation base. FY 2004/2005 was the last year the City received VLF revenue under the old formula and that amount was \$4.5 million. In the FY 2015-17 two year budget cycle the City estimates VLF in-lieu revenue at \$8 million and \$8.1 million respectively.



**CITY OF MISSION VIEJO
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Property tax revenue is projected to increase 3.72% in FY 2015/16 over the amended FY 2014/15 budget and increase 2.84% in FY 2016/17. The forecast revenue reflects anticipated growth in assessed valuation during this period.

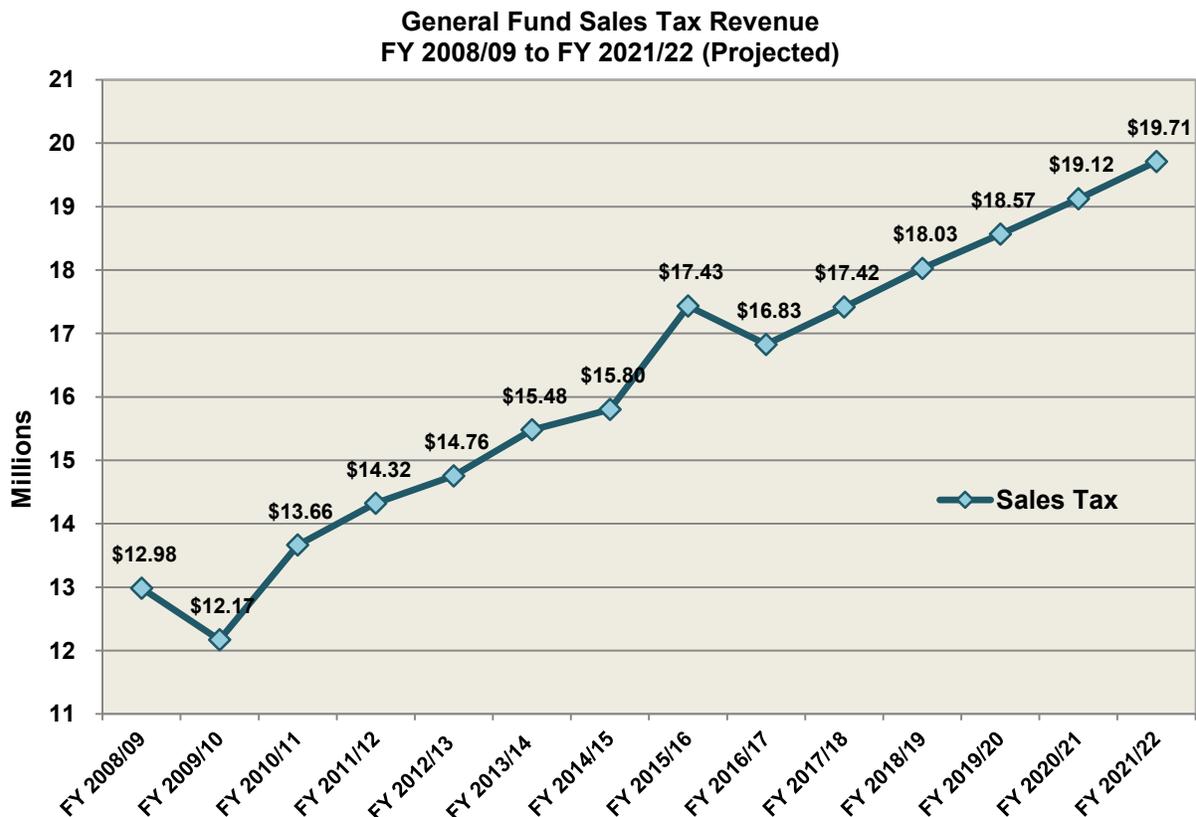
As the economy has improved, so has the real estate market. The 2015-22 MFP forecasts General Fund property tax revenue to increase an average of 3.22% annually.

Sales Tax Revenue

2009-2015 Average Annual Growth Rate:	0.98%
2016-2022 Projected Average Annual Growth Rate:	3.27%

Sales and use tax is the second largest revenue source for the City, behind property tax revenue. Sales tax represents about 32% of total General Fund revenue for FY 2015/16 and 30% for FY 2016/17. The sales tax recorded in the General Fund includes the sales tax generated by all retail and other sales tax producers in the City, except for the share of the sales tax generated at the Shops at Mission Viejo that is dedicated for the repayment of the bonds issued in 1999 to finance parking improvements. The FY 2015/16 projection is heavily impacted by the elimination of the “triple flip” sales tax exchange which will be coming to an end in this year and is expected to include a one-time reimbursement of approximately \$1 million.

The past seven years (see graph below) show the effects of the economic downturn followed by gradually rising consumer spending. The average annual growth rate from 2009-2015 was 0.98%.





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For the 2015-17 budget period, the expectation is modest growth levels in sales and use tax. The proposed 2015-17 budget projects a 3.4% average increase. These forecasts are based on the assumption that the local economy will continue to grow and consumers will continue to spend, visiting our retail establishments, purchasing vehicles within the city limits, etc. In addition, the end of the State sales tax in lieu transfer (triple flip) also includes a one-time catch up payment of previously diverted sales tax as discussed above.

Annual sales tax revenue growth rates from FY 2015/16 going forward are expected to average 3.27% per year. Again, it is important to stress that this latest master financial plan update assumes the economy will continue a slow to moderate growth and does not slip back into another recession.

It should be noted that sales taxes are usually generated on a “situs” basis (city or area where the sale takes place). There are a variety of retail transactions that are allocated on a “pool” basis because the State Board of Equalization believes that it would be too difficult to do otherwise. These are generally known as “use taxes.” A portion of the City’s sales tax revenue comes from the “pool” – about 10%. Allocations from the pool are made in proportion to a city’s or county’s share of situs revenues; as such, the City receives a little less than 3% of County pool revenues. Pool taxes are increasing due to online sales which are included in the pool and have been growing in recent years. As a result of this online sales factor, pool taxes are expected to continue to increase at a high level. While the level of pool taxes is certainly increasing, that growth has been commensurate with overall sales tax growth thus percentage shares have not changed.

Franchise Tax

2009-2015 Average Annual Growth Rate:	0.08%
2016-2022 Projected Average Annual Growth Rate:	1.01%

Franchise taxes are imposed by the City on gas, electric, cable television and refuse collection companies for the privilege of using City streets. Each company is assessed a rate of between one and five percent of their gross receipts. Franchise taxes account for about 5% of the City’s General Fund revenues in the 2015-17 budget.

From FY 2008/09 to FY 2015/16, total franchise taxes decreased from \$2.95 million to \$2.8 million. The decrease represents a decline in utility franchise payments to the General Fund. Revenue from the cable television franchises meanwhile has been relatively flat but steady. Franchise tax revenue is expected to grow by 1.01% annually over the course of the next seven years.

Development-Related Revenues

2009-2015 Average Annual Growth Rate:	7.15%
2015-2022 Projected Average Annual Growth Rate:	-0.11%

For the purposes of this MFP forecast, development related revenue includes all License and Permit revenue and a large portion of revenue described as “Charges for Services.” Specifically, the development related revenue includes the fees collected for building, mechanical and electrical permits, as well as plan check, plan review, conditional use permits and related planning and building activities. For the period from FY 2008/09 to FY 2014/15, this source of revenue averaged \$2.1 million annually, or 4% of total General Fund revenue. It should be noted that much of the staff work associated with development activity is contracted out to a private firm (Charles Abbot and Associates), and the firm is compensated on a percentage-of-revenue basis. Accordingly, changes – whether positive or negative – in development-related revenue included in this forecast will be primarily reflected in changes to the



**CITY OF MISSION VIEJO
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Community Development Department’s expenditures, since an average of 60% of the revenues are paid to contract staff and inspectors.

For the 2015-17 budget, development related revenue is expected to be approximately \$2.4 million each year representing a decrease of 5% due to one-time fees from residential development projects during FY 2014/15. Going forward, this source of revenue is projected to remain relatively stable, given the City’s built-out nature.

Recreation Revenues

2009-2015 Average Annual Growth Rate:	-0.86%
2016-2022 Projected Average Annual Growth Rate:	0.92%

Recreation revenues are comprised of recreation and tennis center fees, senior activity fees, and selected special event revenue. Over the past six years, recreation revenues have been relatively stable at approximately \$1.5 million annually or 2.7% of General Fund revenue. Over the years, the City has invested significant resources into the recreation centers. Staff anticipates an overall positive trend resulting from the upgrades.

For FY 2015/16 through FY 2021/22 it is anticipated that this source of revenue will continue to experience stable and modest growth, averaging approximately 1% annually. As with all fees, they will be studied regularly and a future cost recovery study may suggest changes. In addition, continued improvements to our recreational class offerings and recreational amenities should increase consumption of these resources by residents.

Operating Budget Expenditures

2009-2015 Average Annual Growth Rate:	1.10%
2016-2022 Projected Average Annual Growth Rate:	1.45%

For the purposes of budget planning and updating the master financial plan, certain expenditures are classified as “non-discretionary,” or ongoing. That is, in order to maintain the levels of service Mission Viejo residents have come to enjoy as well as meet the City’s contractual, State and Federal obligations, a set “menu” of set expenditures occurs every fiscal year. For this analysis, the “non-discretionary” expenditures (also referred to as General Fund operating expenditures) include ***personnel costs, services and supplies, debt service on the Library and City Hall bonds, and the subsidies to the animal services and library operations.*** Capital outlay (but not capital projects) and transfers to the asset replacement funds are not included in operating (i.e., ongoing) expenditures, but instead are listed on the MFP as “discretionary” or one-time expenditures. (Even though they may be considered discretionary, they are still included in all bottom-line analyses of ending fund balance.)

Since incorporation, the City has provided a very high level of service while providing a wide variety of services. Over these years there has been a major period of expansion in terms of City facilities, with the construction of City Hall, the expansion of the Library, the renovations of City recreation centers and parks, and the expansion of the Norman P. Murray Community Center. In addition, there has been an increased focus on facility maintenance, landscape maintenance, slope rehabilitation, park and playground renovations, and other infrastructure upgrades.

The expanded and improved facilities along with increased utility costs and our emphasis on increased levels of maintenance and rehabilitation have impacted operating costs. As a result, from FY 2008/09 through FY 2014/15, operating expenditures have increased at an annual average rate of 1.10%. With



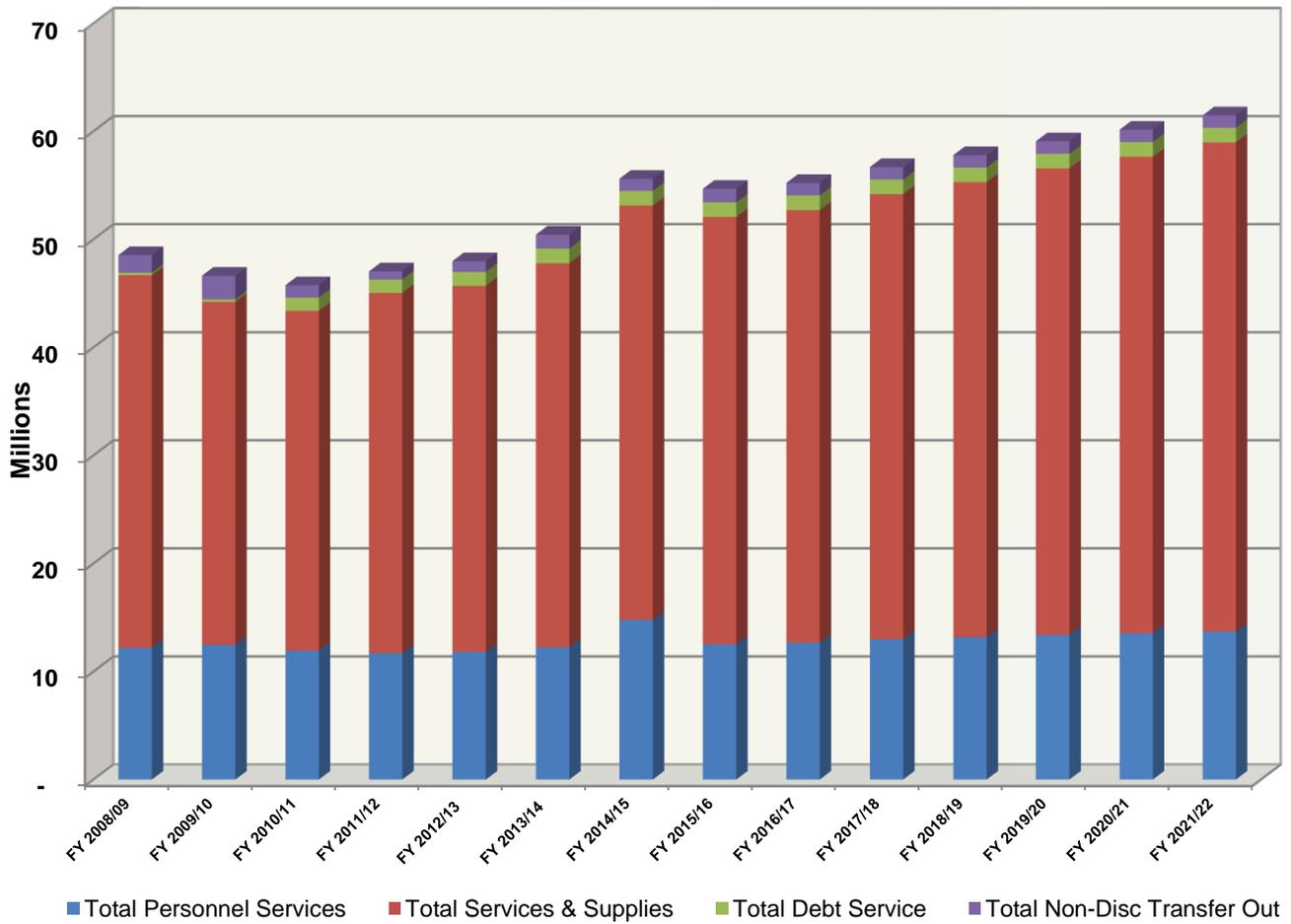
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recessionary effects being felt during FY 2008/09 through FY 2010/11, operating expenditures were reduced significantly to offset the decline in General Fund revenues and keep the budget balanced without any significant drawdown of reserves. Actual operating expenditures for FY 2008/09 were 6.7% less than the previous year. As the economy has improved operating expenditure budgets have increased to catch up on some deferred maintenance as well as other improvements.

In FY 2015/16 General Fund proposed ongoing appropriations when compared to FY 2014/15 amended operating budget reflect a decrease of 1.72% due to a large one-time payment made in 2014/15 to reduce the City’s retiree medical unfunded liability.

The following graph shows the four components of the operating budget (e.g., personnel, services and supplies, debt service and non-discretionary transfers out) for the past seven years and then from FY 2015/16 through FY 2020/2022. The largest single component by far continues to be services and supplies (the red section of the bar graph), representing 72% of total adopted General Fund operating budget expenditures in FY 2015/16. Given the degree to which Mission Viejo relies on contract services, this high percentage is to be expected. Personnel costs account for 23% of total operating expenditures in FY 2015/16. The remainder goes toward debt service and non-discretionary transfers. A separate and more detailed discussion of personnel and services and supplies costs is presented on the next page.





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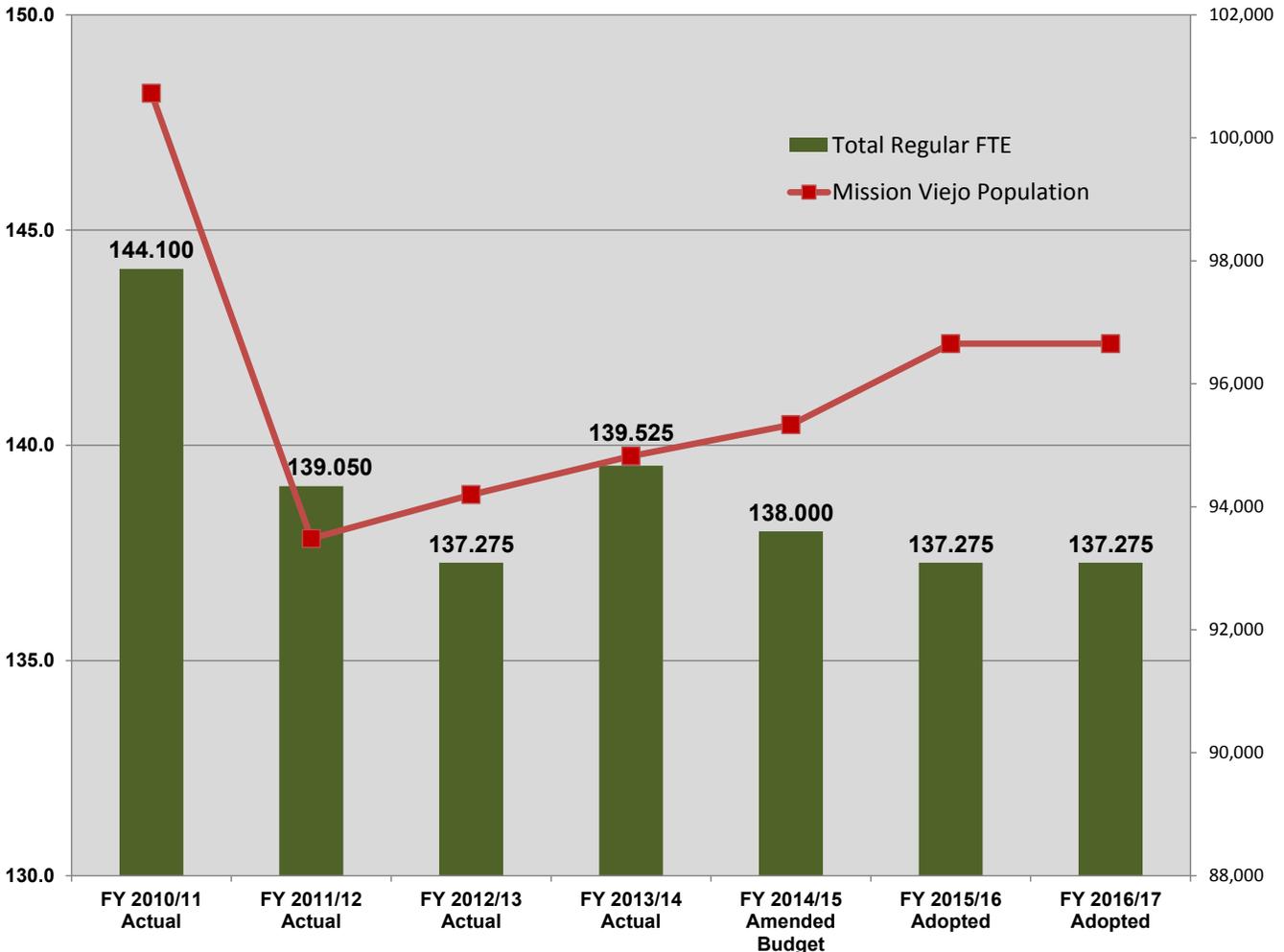
Personnel Costs

2009-2015 Average Annual Growth Rate:	2.09%
2016-2022 Projected Average Annual Growth Rate:	-0.88%

For most cities, personnel costs comprise the largest part of their operating budgets. But for “contract cities,” those that rely significantly on contracts with private entities or other public agencies to provide municipal services, personnel costs make up a much smaller portion of the budget. Because personnel costs are often very difficult to control, contract cities are generally better positioned to respond to economic slowdowns than their “full-service” counterparts.

Personnel costs are driven by the number of authorized positions as well as the cost per position. The latter has increased over time due to the need to maintain a competitive compensation level for attracting and retaining employees, coupled with increasing benefit and retirement costs. The City Council’s policy for many years had been to pay above average total compensation in order to attract and retain the best individuals. However, in response to the recent economic downturn, wages were frozen for several years and only recently beginning in FY 2013/14 have gradual increases been instituted.

In addition to the wage freeze, from FY 2008/09 to FY 2015/16, almost nineteen full-time equivalent (FTE) positions have been eliminated citywide (this includes positions funded by the Animal Services and Library Services funds). (The graph below shows total FTE counts for an eight-year period.)





CITY OF MISSION VIEJO 2015-17 Master Financial Plan



In an ongoing effort to decrease the cost per position, the City Council approved a plan which has employees paying the full eight percent share of their retirement by the end of FY 2014/15. This will decrease the City's retirement costs by shifting a greater burden directly onto the employees. The City Council has also approved a second tier retirement program for all new employees hired after July 9, 2011. Another retirement tier was enacted by State action in 2013. This change will not provide immediate, near-term savings, but will decrease costs over the long-run, hence placing Mission Viejo on even stronger financial footing for several decades into the future. 20% of the City's workforce now falls under these second and third tier retirement programs.

For the 2009-2015 period, total General Fund personnel costs have grown on average at a rate of 2.09% per year. A large one-time payment of \$2.1 million in FY 14-15 to pay down the retiree medical unfunded liability is the main reason for positive growth over that period of time. The same reasons previously mentioned to explain the overall growth of operating expenditures apply to the growth in personnel costs as well: new City facilities, existing facilities expanded, increased focus on facility and landscape maintenance, expansion of cultural arts and recreation programming, and addition of staff to the transportation and information technology areas. (It should be kept in mind however that this forecast just addresses personnel costs funded from the General Fund. A number of City staff positions are funded from other sources, most notably the Library Fund and the Animal Services Fund.)

General Fund personnel costs will decrease by 15% in FY 2015/16 compared to the FY 2014/15 amended budget due to that large one-time payment to pay down unfunded liabilities.

Between FY 2016/17 and FY 2021/22 personnel costs will decrease by an average of 0.88%. This negative average is the result of a one-time payment of \$2.1 million to eliminate the unfunded liability in the retiree medical program made in FY 2014/15. Excluding that payment results in average growth of 1.59% over that seven year period. To remain competitive in the Orange County job market and in an effort to maintain our workforce and remunerate employees fairly for the increased workloads they had taken on in recent years, modest cost of living increases and restoration of merit increases are included representing average annual increases in salaries of approximately 1.5%. There are no plans to further reduce staffing levels. However, management is always looking at ways to increase efficiency throughout the organization and future reductions in staffing could occur.

The City's retirement plan is with the California Public Employee Retirement Systems (CalPERS). FY 2015/16 represents the starting point of CalPERS' new funding formula designed to have all member agencies pay down their unfunded liabilities within 30 years. The new funding formula includes a "ramp up" phase in which payments to the unfunded liability are planned to escalate over a five year period. The City Council authorized a one-time payment in the amount of \$1.5 million against the City's unfunded liability in June before the end of FY 2014/15. This payment will help achieve an 85% funding level by the end of this two-year budget cycle and reach 100% funding status four years earlier based on the most current actuarial valuation. The impact of this anticipated one-time payment is reflected in this MFP in FY 2014/15 Discretionary Reserves amount.

Each year CalPERS provides member agencies with actuarial valuation reports that provide the basis for the PERS cost estimates included in the fiscal forecast. The latest valuation report was received in October and reflects information for the fiscal year ending June 30, 2013. The amounts to be paid towards the unfunded retirement liability are subject to change each year based on the latest actuarial valuations.

FY 2015/16 CalPERS costs are projected to increase by 3.69% or about \$53,000 over the FY 2014/15 budgeted amount. By FY 2019/20 these costs are projected to grow by \$447,000 or 31% over the FY

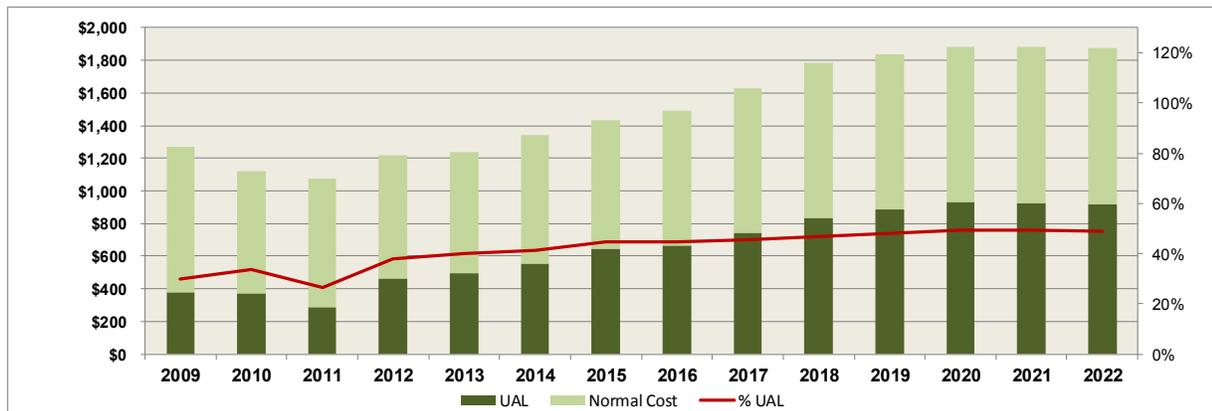


**CITY OF MISSION VIEJO
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2014/15 budget. Current CalPERS rate projections indicate the rate reduces in the last two years. The change in PERS retirement formulas and the emphasis on reducing the unfunded liability contribute to this increase. Normal costs represent the value of the benefits earned by current employees. The table below estimates the portion of annual required retirement contributions that have been and will be directed toward normal costs compared to the unfunded accrued liability (UAL). This table provides a clear indication that the growth in cost is attributable to the unfunded liability. This chart includes a payment of \$1.5 million towards the unfunded liability at the end of FY 2014/15.

Ratio of Normal Costs to UAL Payments
(Amounts in 000's)



Fiscal Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
UAL	377	375	285	461	498	557	642	666	742	836	883	931	926	919
Normal Cost	890	743	791	754	740	786	793	822	888	948	950	952	954	955
% UAL	30%	34%	26%	38%	40%	41%	45%	45%	46%	47%	48%	49%	49%	49%

The City maintains a retiree health benefit program in accordance with the requirements of the CalPERS Health Benefit Program. The City pays a fixed amount for each eligible retired employee to purchase health coverage through the City's program with CalPERS Health Benefit Program. This program provides retirees who qualify with a fixed monthly benefit toward the cost of their health insurance premiums. As of the City's June 30, 2013 actuarial valuation, the Plan Assets have a value of \$5,086,000 at June 30, 2015. The Unfunded Liability amount is \$2,932,000. The City made a payment of \$2.1 million in FY 2014/15. This payment along with the FY 2015/16 annual required contribution is expected to eliminate the unfunded liability by the end of FY 2015/16.

While Cal-PERS employer contribution rates will increase in coming years, Mission Viejo should not be impacted as severely given its continued commitment to right-sizing its workforce.

Services & Supplies

2009-2015 Average Annual Growth Rate:	0.87%
2016-2022 Projected Average Annual Growth Rate:	2.40%

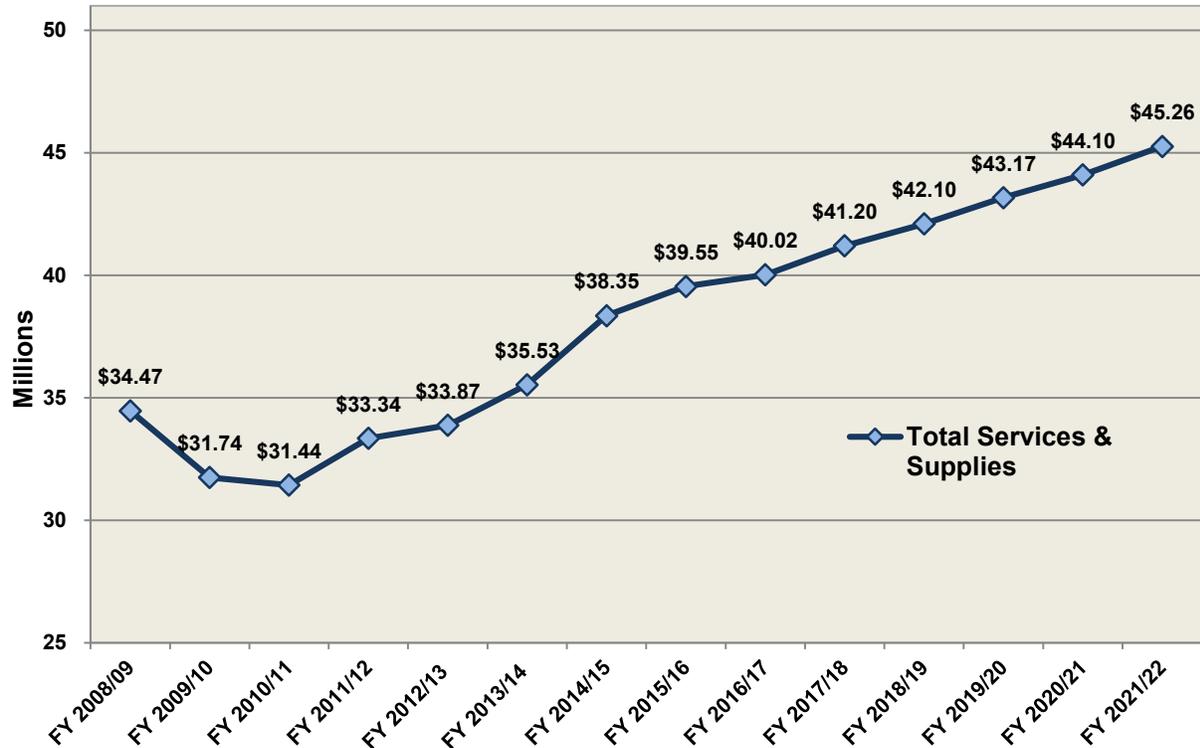
Services and supplies make up the single largest component of total General Fund operating expenditures (74% in FY 2015/16) and include all of the non-personnel, non debt service, and non-capital costs of providing City services. Some examples of services and supplies are: landscape and road maintenance contracts, consulting services, utilities (i.e., water and electricity) office supplies, travel, training, software licensing, and small furniture and equipment items.



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**General Fund Services & Supplies Expenditures
FY 2008/09 to FY 2021/22 (Projected)**



As the graph above indicates, from FY 2008/09 through FY 2014/15 (amended budget), the cost of all services and supplies grew from \$34.5 million, or 76% of total operating expenditures, to \$38.4 million, or 72% of operating expenditures, an average of 0.87% annually. For the upcoming two-year budget period, services and supplies will increase 3.06% to \$39.5 million in FY 2015/16 and increase by 1.2% to \$40 million in FY 2016/17. The out years of the forecast assumes for the most part that large contractual services will grow at close to the forecasted rate of inflation, an annual average of 2.4% every other year to coincide with the contract renewal process from FY 2015/16 to FY 2021/22.

Certain spending categories within services and supplies have been broken out individually and are highlighted in the following sections since they represent the largest portions of the total General Fund operating budget.

The two largest areas of spending within services and supplies are the police services contract with the Orange County Sheriff's Department and the Infrastructure Maintenance program area. The General Fund portion of the Sheriff's contract for FY 2014/15 was \$16.4 million, which represented 43% of the services and supplies adopted budget, or 31% of total adopted General Fund operating appropriations. Infrastructure maintenance programs, which include the street, landscape, building, and fleet maintenance programs, totaled \$13.2 million in FY 2014/15, and represented 33% of the amended budget for services and supplies, or 24% of the General Fund operating amended budget in FY 2014/15.



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Police Services Contract

2009-2015 Average Annual Growth Rate:	2.77%
2016-2022 Projected Average Annual Growth Rate:	3.39%

The average annual growth rate of 2.77% for police services contract costs for the period of FY 2008/09 to FY 2014/15 for the most part represents the impact of labor contract renewals and the resulting higher costs for salaries and benefits. There were also steady increases resulting from higher costs for services and supplies, transportation and overhead. This plan does not contemplate adding any sworn or non-sworn personnel through FY 2021/22. From FY 2015/16 through FY 2021/22, it assumed that the police services contract will grow at the rate of 3.39%. This rate reflects additional costs beginning in FY 2015/16 related to the addition of a second South Orange County substation and the establishment of the Field Training Bureau, a Sheriff program to develop patrol ready field personnel.

Infrastructure Maintenance

2009-2015 Average Annual Growth Rate:	-1.23%
2016-2022 Projected Average Annual Growth Rate:	2.12%

As noted earlier, infrastructure maintenance consists of street, landscape, building, environmental and fleet maintenance programs. Landscape maintenance, which includes the street, environmental, parks, medians and parkways and urban forestry maintenance programs, represents the largest cost component within the infrastructure maintenance program area. Landscape maintenance has averaged \$7.4 million annually during FY 2008/09 through FY 2014/15.

In response to the economic downturn, total infrastructure maintenance program area expenditures were reduced beginning in FY 2008/09. For a three year period, the average annual growth rate for this program area was a negative 12.75%. However despite the reductions, this program area still averaged 32% of total services and supplies expenditures.

Overall, this program area will see an increase of 6.75% in FY 2015/16 when compared to the FY 2014/15 amended budget, and a slight increase of 0.05% in FY 2015/16. The primary reason for the increase in FY 2015/16 was that landscape contract renewal costs jumped an average of 19%. For the planning period of FY 2015/16 through FY 2021/22, it is expected that infrastructure maintenance appropriations will grow at the rate of 2.12%.

All Other Program Areas

2009-2015 Average Annual Growth Rate:	-0.31%
2016-2022 Projected Average Annual Growth Rate:	0.58%

The “All Other Program Areas” total for services and supplies reflects the non-personnel and non-capital outlay costs for the operations of General Government (City Council, City Attorney, City Clerk, City Manager, Administrative Services and Information Technology), Community Development, Public Works, the non-Sheriff contract portion of Police Services, and Recreation and Community Services program areas (for FY 2009/10 and later, the General Fund portion of the Library and Cultural Services Department’s Cultural Services program is included).

This category of costs experienced a negative average annual growth rate of 0.31% from FY 2008/09 through FY 2014/15. Appropriations in FY 2015/16 and FY 2016/17 decline an average of 2.51% from the amended budget. The average annual growth from FY 2015/16 through FY 2021/2022 is 0.58% reflecting cost containment efforts.



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Operating Transfers

General Fund subsidies represent annual transfers to the Animal Services and Library and Cultural Services functions. These two operations record their revenue and expenditure appropriations in separate funds. However, given the high priority of these functions, and their importance to the residents of Mission Viejo, additional support is needed from the General Fund.

Animal Services Subsidy

The Animal Services program, part of the public safety program area and organizationally a division within the Public Services department, operates as an enterprise function. That is, all revenue and expenditure appropriations are recorded in a fund separate from the General Fund. The City of Mission Viejo currently provides animal services support to the cities of Aliso Viejo and Laguna Niguel. These contract cities in turn provide pro-rata support based on the ratio of their populations to the total population of the three cities combined.

Even with this support, as well as revenue from animal licensing, impound and adoption fees, it is still necessary for the General Fund to subsidize animal services operations. For each two-year budget cycle, the General Fund subsidy is calculated as the net difference between revenue (which includes the support from the two contract cities) and expenditures.

From FY 2008/09 to FY 2014/15, the General Fund transfer to the Animal Services fund averaged \$492,279. The 2015-17 budget has the General Fund subsidy at an average of approximately \$581,795. The future years in the master financial plan keep the subsidy at the \$578,940 level through FY 2021/22. It is felt that, given recent cost recovery changes to various animal services fees, as well as a stable staffing level, the General Fund will not have to increase its subsidy to this program.

Library Services Subsidy

The subsidy to the Library and Cultural Services department represents the amount of General Fund support provided to the Mission Viejo Library. Most library related costs are paid from the Library Fund (Fund 201), in which revenue from property tax earmarked for library services, State subventions for library services and the various library fees and charges are recorded.

The Library and Cultural Services Department provides one of most popular services to residents and usage remains high. While the Library and Cultural Services Department receives revenue from various sources (passport processing, passport photos, late fees, etc.), property tax remains the largest, single source of revenue. For the 2015-17 budget, property tax accounts for 85% of total Library Services fund revenue. For the 2015/16 fiscal year, the General Fund transfer to the Library Services fund is \$666,246. In FY 2016/17 that amount is \$572,145, a decline of 16.45%. The subsidy remains at \$572,145 over the FY 2015/16 through FY 2021/22 period.

City Hall Bond Debt Service

Lease Revenue Bonds were issued to fund construction of City Hall and expansion of the library. Debt service on the 2009 Series A bonds is \$1,355,000 in FY 2015/16, and \$1,363,000 in FY 2016/17. These payments comprise approximately 2.5% of General Fund revenue in each fiscal year. From FY 2015/16 until the loan is paid off in FY 2030/31, debt service payments are approximately \$1.35 million annually (these are fixed amounts per the amortization schedule).



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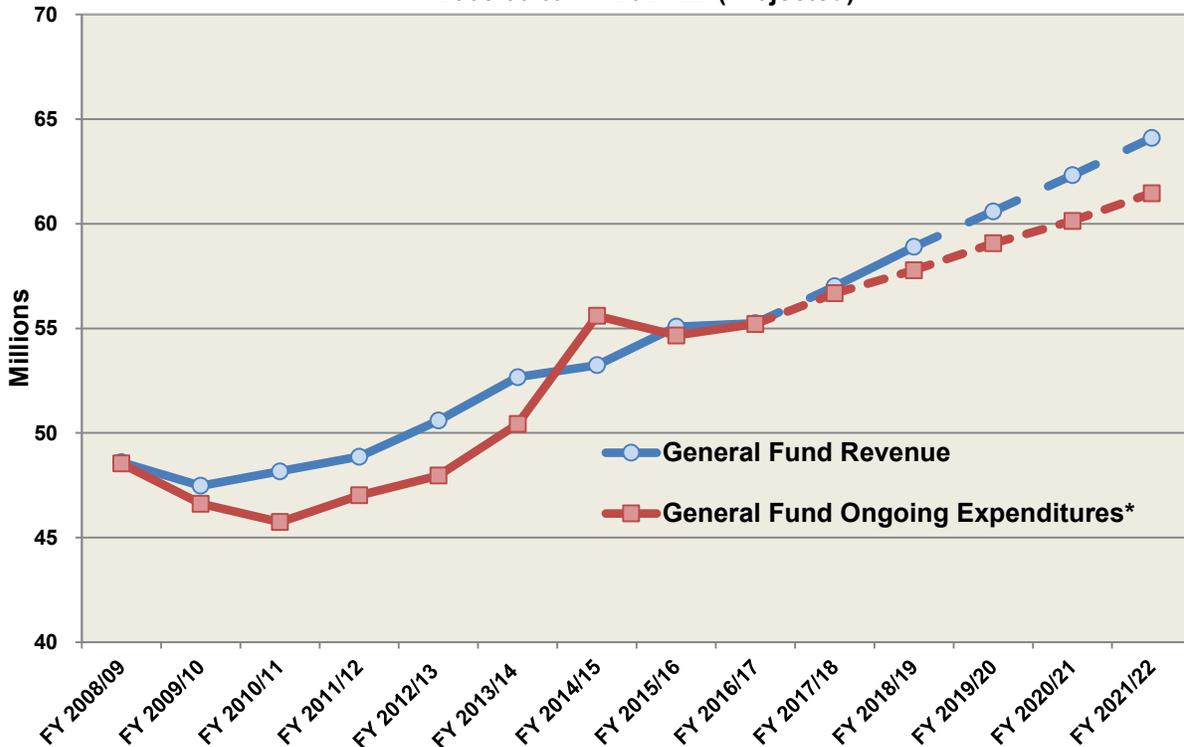


Revenue Less Ongoing Expenditures and Non-Discretionary Transfers

The difference between General Fund revenues and the sum of General Fund personnel, services and supplies, debt service and non-discretionary transfer expenditures is an important figure. This amount represents the difference (surplus or deficit) between ongoing revenue and ongoing (non-discretionary) expenditures. In other words, this variance presents a good indication of whether the City's day to day operations are costing more than the ongoing, expected revenue.

One indication of how severely the recession affected revenues of Mission Viejo is to look at the "net operating funds" amount for fiscal year 2008/09. In that year, the General Fund had operating budget expenditures and operating transfers that were greater than revenues by \$448,737. In FY 2014/15 the City Council used available funds to make a one-time payment reduce the City's unfunded liabilities resulting in negative net operating funds in the amount of \$2,358,884. In FY 2016/17 negative net operating funds total \$102,911. The graph below illustrates revenue less mandatory expenditures.

**General Fund Revenue vs. General Fund
Operating Expenditures
FY 2008/09 to FY 2021/22 (Projected)**



*Ongoing, or operating, expenditures include Personnel (salary and benefits), Services and Supplies, Debt Service and Non-discretionary transfers out (e.g., Animal Services and Library Fund subsidies).

Given the revenue and expenditure projections included in this MFP update, the General Fund will start generating "net operating funds" again in FY 2017/18 and the amounts are forecast to increase each year through FY 2021/22. In fact, the average net operating funds amount for the five final fiscal years is approximately \$1.1 million. These amounts are sufficient positive "net operating funds" to fund capital outlay. As the previous graph indicates, the positive variance between ongoing revenues and expenditures continues to grow through FY 2021/22.



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Other Transfer: Mall Bond Rolling Reserve Release

The Mall Bond Rolling Reserve Release represents the portion of sales tax revenue generated by “The Shops at Mission Viejo” mall not needed to pay the debt service on the mall’s Series A bonds. These funds are held for a year to provide extra security for payment of annual debt service. After the year holding period, the excess funds are released and used either to pay the Series B mall bond debt service or to be returned to the City’s General Fund.

The City is entitled to retain these funds to first make up any shortfall in the City’s guaranteed portion of mall sales tax revenue up to a total of two million dollars for the year. In addition, the City may retain funds representing the interest rate savings of variable rate bonds vs. fixed rate bonds and to cover the City’s share of the foregone sales tax revenue resulting from the delay in the previously planned expansion of the mall. Then, remaining funds are used to extinguish Series B bond debt service and are retained by the City, under prior agreement with the mall owner who holds all the Series B bonds, to cover administrative costs related to the Series A bonds (such as letter of credit fees).

Accordingly, the size of the rolling reserve release that is kept by the City each year and the amount of funds repaid to the City by the mall owner are dependent on the level of sales tax generated by “The Shops at Mission Viejo,” interest rates and the amount of administrative fees incurred in the current and prior years. All of these variables makes the amounts “released” in any given year subject to wide fluctuations and are an unpredictable source of General Fund revenue.

That is why this source of revenue is not included as part of “ongoing revenue.” In an effort to get a better grasp of one-time vs. ongoing revenue, this update of the MFP places a greater focus on identifying items such as the rolling reserve release revenue that can fluctuate widely and which should not be part of the baseline MFP forecast.

Because of the unpredictability of this revenue source, it is most appropriate to consider it useful for funding only one-time expenditures, such as capital items or transfers to other reserve funds. For FY 2015/16 through FY 2021/22, an annual average of \$828,327 in rolling reserve release revenue is included as discretionary/one-time revenue. This amount was decided upon by analyzing prior year rolling reserve releases plus current activity and finding a reasonable, average minimum dollar amount.

Contributions to Asset Replacement Funds

The City maintains two asset replacement funds: the Computers/Equipment/Furnishings/Vehicles (CEFV) Fund, and the Facility Rehabilitation and Repair (FR&R) Fund. This master financial plan update projects available balances to be used at City Council’s discretion.

Capital Improvement Projects

Capital improvement project spending from the General Fund has varied greatly over the past seven years. Over four million dollars of the FY 2011/12 expenditures were related to the Marguerite Tennis Center renovations. For the two-year budget of 2015-17, there is \$1,900,000 in General Fund funding for capital projects. This forecast includes \$650,000 annual in General Fund funding for park playground renovations.



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A Discussion of Reserves

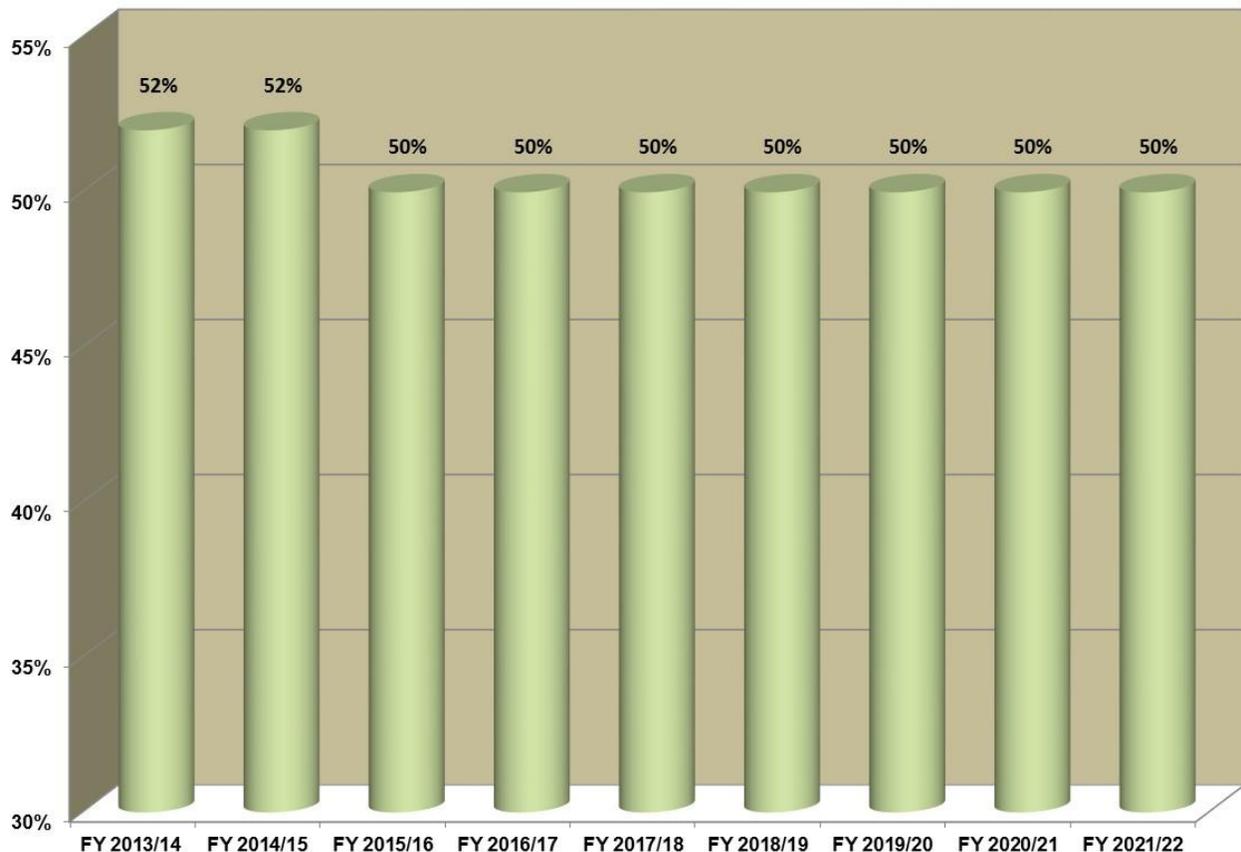
A policy update in FY 2012/13 established a minimum level and a target level at which to maintain *discretionary reserves*. Discretionary reserves are comprised of the fund balances and reserve accounts set aside in the General Fund and the City’s two asset replacement funds. We include the asset replacement fund balances as part of “total discretionary reserves” because, even though the fund balances of the two asset replacement funds have been identified by the City Council for a specific use, these funds can be re-designated and are available for any other purpose that the City Council deems appropriate.

The minimum target level for General Fund group fund balance has been established by City Council action to be 40% of General Fund group revenues, with an ideal target level of 50% of General Fund group revenues.

Ending Fund Balances and Reserves

As noted earlier, one of the reasons for developing and regularly updating a master financial plan is to have an analytic tool that assists management in making decisions aimed at maintaining reserves at City Council established levels. In this update of the MFP, the focus has been to maintain “total discretionary reserves” at or above the City Council adopted 50% of General Fund group revenue target level. For the 2015-17 proposed budget, the levels are actually 50% and 50%, respectively. The following years, beginning with FY 2017/18, General Fund group fund balance is projected to be at least 50% each year. It is at the discretion of the City Council how best to use projected excess available funding. As noted earlier, the City Council authorized a one-time payment in the amount of \$1.5 million to reduce the City’s

Discretionary Reserves as Percentage of General Fund Group Revenues





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CalPERS unfunded liability in June 2015. The impact of that payment is reflected in FY 2014/15 Discretionary Reserves balance.

Closing Observations and Recommendations

As with any forecast, many of the projections are outdated the moment they are printed. While this MFP update does not deem itself perfect, it is useful in plotting out future budget decisions based on a “big picture” view of the City’s projected income and expenses. The dynamic nature of this master financial plan allows management to make near-term and long-term decisions and immediately see their projected impact on expenditures, revenue, and ultimately fund balances.

Whether it is increasing equipment replacement or facility repairs, shifting funds from one program area to another, further pension funding issues, or contemplating changes to staffing levels, this MFP can forecast the ripple effects on the bottom line. Keeping the City Council target reserve level amount in sight is much easier when a useful analytic tool such as this MFP is available. Furthermore, depending on what might happen to the economy during the two year budget cycle, any changes related to revenue the City receives (property and sales tax for example) can immediately be placed in the MFP and the effects on future fiscal years analyzed in detail.

Change in the economy is the biggest variable weighing on the accuracy of the baseline MFP projections. Should the nation slip back into another recession, or if growth slows, then the revenue projections contained in this updated MFP will need to be re-evaluated. Staff will continue to work diligently to monitor ongoing revenue and expenditures and make whatever budgetary changes are necessary in order to maintain a balanced budget while keeping General Fund group fund balances at or above the City Council determined target levels.

MASTER FINANCIAL PLAN - GENERAL FUND

GENERAL FUND	Actual 2008-09	Actual 2009-10	Actual 2010-11	Actual 2011-12	Actual 2012-13	Actual 2013-14	FY 2014-15 AmdBudget	FY 2015-16 Budget	FY 2016-17 Budget	FY 2017-18 Projection	FY 2018-19 Projection	FY 2019-20 Projection	FY 2020-21 Projection	FY 2021-22 Projection
REVENUES:														
Taxes:														
Property Tax	24,511,907	23,927,664	23,890,732	23,821,350	24,970,301	25,327,083	26,265,200	27,243,500	28,015,940	28,996,498	30,011,375	30,911,717	31,839,068	32,794,240
Sales Tax	7,395,262	7,569,033	7,972,854	8,449,128	8,530,586	9,208,300	9,324,515	11,763,806	14,650,086	15,162,839	15,693,538	16,164,345	16,649,275	17,148,753
Sales Tax in Lieu	3,863,059	2,718,259	3,731,802	3,834,165	3,937,682	4,316,288	4,280,665	3,530,260	-					
Sales Tax - Mall	1,725,022	1,860,795	1,960,043	2,039,371	2,287,792	1,955,391	2,197,225	2,137,091	2,176,974	2,253,168	2,332,029	2,401,990	2,474,050	2,563,115
Franchise Tax	2,953,524	2,851,736	2,753,821	2,793,042	2,794,389	2,908,188	2,890,000	2,785,000	2,808,000	2,872,584	2,938,653	3,006,242	3,051,336	3,097,106
Transient Occupancy Tax	475,577	520,095	594,299	608,311	630,117	749,316	750,000	775,000	800,000	825,000	850,000	869,550	890,000	910,000
Real Property Transfer Tax	311,863	448,100	357,313	357,240	511,596	522,332	520,000	540,000	540,000	545,400	550,900	561,900	573,100	584,600
Subtotal, Taxes	41,236,214	39,915,682	41,260,864	41,902,607	43,662,463	44,986,899	46,227,605	48,774,657	48,991,000	50,655,489	52,376,496	53,915,743	55,476,829	57,097,815
Licenses & Permits:														
Private Prop Development	860,915	948,771	931,363	862,633	1,382,031	1,464,878	1,565,200	1,460,000	1,460,000	1,493,600	1,528,000	1,563,100	1,599,100	1,631,100
Public Prop Encroachment/Other CD & PW	404,624	295,924	309,646	329,859	397,053	658,348	477,000	414,250	414,250	418,000	422,000	426,000	430,000	432,000
Subtotal, Licenses & Permits	1,265,539	1,244,695	1,241,009	1,192,492	1,779,084	2,123,226	2,042,200	1,874,250	1,874,250	1,911,600	1,950,000	1,989,100	2,029,100	2,063,100
Intergovernmental Revenues:														
Motor Vehicle In Lieu	337,213	294,366	459,061	49,831	51,634	42,733	41,278	0	0					
Homeowner's Property Tax Relief	142,234	140,373	140,047	137,532	133,536	128,043	130,000	130,000	130,000	131,300	133,000	134,000	135,000	136,000
Other State/County/Fed	133,383	1,158,583	280,198	202,402	79,771	61,919	254,730	71,500	71,500					
Subtotal, Intergovernmental	612,830	1,593,322	879,306	389,765	264,940	232,695	426,008	201,500	201,500	131,300	133,000	134,000	135,000	136,000
Charges for Services:														
Rec, Tennis & Comm Center Revenues	1,686,438	1,577,602	1,499,824	1,425,280	1,448,446	1,471,069	1,487,000	1,504,905	1,508,405	1,523,000	1,538,000	1,553,000	1,569,000	1,585,000
Development Related Fees	319,748	342,455	503,278	474,374	500,853	872,032	659,320	520,170	534,070	546,000	559,000	572,000	585,000	597,000
Other Fees & Charges	1,709	2,822	2,298	1,310	1,504	48,638	76,000	9,835	0	0	0	0	0	0
Subtotal, Charges for Services	2,007,895	1,922,879	2,005,400	1,900,963	1,950,803	2,391,739	2,222,320	2,034,910	2,042,475	2,069,000	2,097,000	2,125,000	2,154,000	2,182,000
Fines & Forfeitures:														
Court Fines (Vehicle Code)	496,820	556,263	581,107	521,735	454,296	465,552	450,000	450,000	450,000	460,350	470,938	482,000	493,000	503,000
Parking Penalties/Forfeit Bonds/All Other	155,142	171,468	256,360	267,724	268,811	373,030	480,655	191,000	191,000	194,800	198,700	202,700	206,800	210,900
Subtotal, Fines & Forfeitures	651,962	727,731	837,467	789,459	723,107	838,582	930,655	641,000	641,000	655,150	669,638	684,700	699,800	713,900
Use of Money & Property:														
Interest Earnings	633,534	705,041	424,902	436,115	149,102	194,416	100,000	100,000	150,000	200,000	250,000	300,000	350,000	400,000
Rents and Concessions	761,498	705,607	741,595	803,242	822,183	847,099	806,427	815,708	830,508	847,100	864,000	881,300	898,900	916,900
Subtotal, Use of Money & Property	1,395,032	1,410,648	1,166,497	1,239,357	971,285	1,041,515	906,427	915,708	980,508	1,047,100	1,114,000	1,181,300	1,248,900	1,316,900
Miscellaneous Revenues:														
Total All Other Reimbursements	1,344,708	630,183	738,323	1,270,085	1,213,336	833,318	370,441	454,630	417,330	425,700	434,200	442,900	451,800	460,800
Other Miscellaneous	87,487	34,493	40,049	182,221	28,589	227,993	115,483	184,300	103,300	120,000	122,400	124,800	127,300	129,800
Subtotal, Miscellaneous	1,432,195	664,676	778,372	1,452,306	1,241,925	1,061,311	485,924	638,930	520,630	545,700	556,600	567,700	579,100	590,600
TOTAL REVENUES	48,601,667	47,479,633	48,168,915	48,866,949	50,593,607	52,675,967	53,241,139	55,080,955	55,251,363	57,015,339	58,896,734	60,597,543	62,322,729	64,100,315
OPERATING BUDGET EXPENDITURES:														
PERSONNEL														
Current Personnel:														
Salaries	6,752,063	7,067,730	6,912,127	6,656,332	6,649,979	6,742,415	7,940,574	7,959,053	8,213,953	8,337,162	8,462,220	8,589,153	8,717,990	8,848,760
Temporary Wages	302,260	464,670	471,320	394,625	478,473	578,000	522,355	549,630	575,728	584,364	593,129	602,026	611,057	620,223
Overtime	130,460	106,895	141,081	162,646	136,067	134,431	109,675	127,090	124,440	125,000	125,000	125,000	125,000	125,000
Leave Payouts/Compensated Absences	955,644	1,086,021	945,453	904,207	932,047	996,370	158,638	225,300	225,727	225,000	225,000	225,000	225,000	225,000
Benefits: PERS/Employer (6250) Normal Cost	890,367	743,191	791,193	754,797	740,475	786,063	793,382	822,046	887,565	947,555	949,725	951,747	953,615	955,231
Benefits: PERS/Employer (6250) Unfunded Liability	376,518	375,062	284,675	461,245	497,571	557,404	641,825	666,090	741,891	836,304	883,440	931,250	926,281	918,870

MASTER FINANCIAL PLAN - GENERAL FUND

GENERAL FUND	Actual 2008-09	Actual 2009-10	Actual 2010-11	Actual 2011-12	Actual 2012-13	Actual 2013-14	FY 2014-15 AmdBudget	FY 2015-16 Budget	FY 2016-17 Budget	FY 2017-18 Projection	FY 2018-19 Projection	FY 2019-20 Projection	FY 2020-21 Projection	FY 2021-22 Projection
Benefits: PERS/Employee (6251)	569,266	473,793	362,696	317,250	241,225	175,243	90,571	5,555	5,721	0	0	0	0	0
Benefits: Cafeteria Plan	1,126,445	1,054,592	999,269	921,725	980,347	1,117,561	1,306,077	1,103,804	1,103,048	1,103,048	1,103,048	1,103,048	1,103,048	1,103,048
Benefits: All Other (401A, Medicare, Life/LTD) Workers Comp (6495)	697,049	674,904	591,717	549,276	567,409	550,732	502,036	454,667	581,454	594,827	608,508	622,504	636,822	649,558
Benefits: RIP Employee Cost (6395)	390,639	389,864	413,843	549,187	558,183	574,416	2,663,000	563,000	176,250	180,304	184,451	188,693	193,033	197,473
Benefits: Post Retirement Medical (Includes SHARE)	10,921	21,572	22,479	23,553	27,583	27,844	34,178	36,642	38,442	40,364	42,382	44,501	46,726	49,063
TOTAL, PERSONNEL	12,201,634	12,458,283	11,935,853	11,694,843	11,809,359	12,240,479	14,762,311	12,512,877	12,674,219	12,973,929	13,176,903	13,382,923	13,538,573	13,692,226
SERVICES & SUPPLIES														
Gen Govt/Admin Svcs:														
Administrative Services	307,665	198,794	285,545	303,587	243,433	260,207	341,072	343,325	278,352	283,919	289,597	295,389	301,297	307,323
Interdepartmental/Debt Service	1,439,907	1,442,086	1,497,175	1,390,211	1,403,379	1,157,907	1,146,843	948,376	1,023,157	1,046,690	1,070,763	1,095,391	1,120,585	1,146,358
City Council	452,800	68,599	56,451	69,428	70,586	61815	69,685	78,661	76,093	77,615	79,167	80,751	82,366	84,013
City Manager	362,188	132,915	178,051	105,491	110,885	107181	109,617	106,994	101,994	104,034	106,115	108,237	110,402	112,610
City Attorney	774,481	581,124	322,683	312,816	310,003	354051	335,000	384,000	384,000	384,000	384,000	384,000	384,000	384,000
City Clerk	132,750	686,177	194,164	204,664	247,879	157713	246,320	170,630	227,105	231,647	236,280	241,006	241,006	245,826
Information Technology	1,033,238	803,058	866,884	894,791	798,738	873846	1,403,896	1,205,090	1,139,630	1,162,423	1,185,671	1,209,384	1,233,572	1,258,244
Subtotal Gen Govt	4,503,029	3,912,753	3,400,953	3,280,988	3,184,903	2,972,720	3,652,433	3,237,076	3,230,331	3,290,327	3,351,594	3,414,158	3,473,227	3,538,373
Police Contract: OC Sheriff	14,126,908	14,742,633	14,952,291	14,769,635	14,815,619	14,979,608	16,403,486	17,065,000	17,584,000	18,199,440	18,836,420	19,495,695	20,178,044	20,884,276
Police: Support Services/All Other	168,700	144,503	150,131	247,206	335,337	329,964	289,870	247,680	246,580	250,000	250,000	250,000	250,000	250,000
Subtotal Police Services	14,295,608	14,887,136	15,102,422	15,016,841	15,150,956	15,309,572	16,693,356	17,312,680	17,830,580	18,449,440	19,086,420	19,745,695	20,428,044	21,134,276
Public Services:														
Administration/Emergency Preparedness	50,821	24,413	35,064	58,446	56,107	68,153	40,119	27,650	30,650	31,263	31,888	32,526	33,177	33,840
Park Maintenance/Monthly Contract	3,046,232	2,551,109	2,574,547	2,618,319	2,681,128	2,536,505	2,629,025	3,136,503	3,136,503	3,285,204	3,285,204	3,334,482	3,335,018	3,384,499
Parks Maintenance / All Other	2,618,919	2,162,629	2,189,969	2,438,020	2,445,381	2,612,515	2,718,276	2,956,858	2,955,358	3,014,465	3,074,754	3,136,250	3,198,975	3,262,954
Medians & Parkways/Monthly Contract	1,749,857	1,139,164	743,840	1,151,214	945,670	1,323,524	1,135,350	1,433,210	1,433,210	1,513,212	1,513,501	1,535,910	1,536,203	1,558,949
Medians & Parkways / All Other	1,496,179	862,147	867,096	1,287,550	1,210,121	1,030,480	1,180,766	1,083,100	1,083,100	1,104,762	1,126,857	1,149,394	1,172,382	1,195,830
Urban Forestry / Tree Maint Contract	654,420	632,539	679,107	611,212	646,754	609,330	611,675	611,675	611,675	623,909	623,909	636,387	636,387	649,114
Street Maintenance	100,679	130,682	162,837	523,155	795,180	1,809,088	1,848,516	1,792,375	1,796,808	1,838,135	1,838,135	1,880,412	1,880,412	1,923,661
Fleet Maintenance	148,696	158,216	167,437	102,699	123,813	108,182	113,300	124,212	124,212	126,696	126,696	129,230	129,230	131,815
Environmental Maintenance	649,041	686,348	488,352	461,214	579,999	649,760	597,275	614,650	619,650	632,043	632,043	644,684	644,684	657,578
Facilities Maintenance	366,392	339,369	322,175	322,682	338,162	338,868	356,973	366,000	373,125	380,588	388,199	395,963	403,882	411,960
Facilities Maintenance-Rec Centers	370,662	318,621	342,370	296,928	382,853	317,817	398,829	388,448	377,578	385,130	392,832	400,689	408,703	416,877
Facilities Maint-Aquatics/NPM/Potki/Melinda	606,343	557,556	545,374	570,026	566,706	531,937	642,577	676,674	664,044	677,325	690,871	704,689	718,783	733,158
Street Lighting	-	112,646	512,453	501,095	499,653	914,246	902,500	930,000	930,000	930,000	951,390	951,390	951,390	973,272
Subtotal Public Services	11,858,241	9,675,439	9,630,621	10,942,560	11,271,527	12,850,403	13,175,182	14,141,355	14,135,913	14,542,730	14,676,280	14,932,005	15,049,225	15,333,507
Public Works:														
Public Works Admin	50,003	20,158	45,072	24,079	22,506	19,588	36,124	22,700	22,175	22,619	23,071	25,000	26,000	26,520
Engineering/Inspection	148,388	91,311	137,429	120,394	50,722	245,765	127,874	73,400	73,000	74,460	75,949	77,468	79,018	80,598
Water Quality-PW	262,990	239,869	246,101	245,881	266,247	242,797	363,259	399,880	399,880	407,878	416,035	424,356	432,843	441,500
Crossing Guards	374,597	350,830	353,245	360,657	354,653	272,345	300,000	305,000	315,000	321,300	327,726	334,281	340,966	347,785
Integrated Waste Management	74,907	145,491	28,020	70,044	89,103	81,404	162,674	121,700	119,200	121,584	121,584	124,016	124,016	126,496
Transportation Planning/Safety/Ops	77,043	88,234	58,396	48,258	8,723	21,407	40,050	26,250	26,250	26,775	27,311	27,857	28,414	28,982
Traffic Signal Maintenance	36,251	-	-	478,655	440,250	281,499	435,139	408,000	408,000	408,000	417,384	417,384	417,384	426,984
Subtotal Public Works	1,024,179	935,893	868,263	1,347,968	1,232,203	1,164,805	1,465,120	1,356,930	1,363,505	1,382,615	1,409,060	1,427,929	1,448,640	1,478,865
Community Development:														
CD Administration	5,698	6,081	3,834	6,683	5,662	4,662	8,355	6,804	6,954	7,093	7,235	7,380	7,527	7,678
Advanced Planning	84,553	35,303	30,216	144,824	111,578	10,352	71,885	43,495	23,495	23,965	24,444	24,933	25,432	25,940
Current Planning	106,420	12,481	69,475	26,720	30,438	26,043	50,000	40,690	40,690	41,504	42,334	43,181	44,044	44,925

MASTER FINANCIAL PLAN - GENERAL FUND

GENERAL FUND	Actual 2008-09	Actual 2009-10	Actual 2010-11	Actual 2011-12	Actual 2012-13	Actual 2013-14	FY 2014-15 AmdBudget	FY 2015-16 Budget	FY 2016-17 Budget	FY 2017-18 Projection	FY 2018-19 Projection	FY 2019-20 Projection	FY 2020-21 Projection	FY 2021-22 Projection
Economic Development				8,481	4,336	10,009	12,980	15,120	15,120	15,422	15,731	16,045	16,366	16,694
Building	617,388	652,046	727,065	906,444	1,051,324	1,186,206	1,215,984	1,330,800	1,330,800	1,361,408	1,361,408	1,392,721	1,392,721	1,424,753
Code Enforcement	3,158	1,409	1,663	883	1,847	44,984	6,300	5,825	5,825	5,942	6,060	6,182	6,305	6,431
Subtotal Community Development	817,217	707,320	832,253	1,094,035	1,205,185	1,282,256	1,365,504	1,442,734	1,422,884	1,455,334	1,457,213	1,490,441	1,492,395	1,526,422
Recreation and Community Services:														
Rec Admin	56,065	32,355	42,770	69,972	71,406	63,837	74,750	78,825	78,825	80,402	82,010	83,650	85,323	87,029
Recreation (SVUSD Contract)	686,259	688,004	710,830	714,786	759,747	725,804	742,500	742,000	764,000	779,280	794,866	810,763	826,978	843,518
Community Services	271,223	210,892	148,218	194,167	224,364	209,673	206,125	266,550	216,850	221,187	225,611	230,123	234,725	239,420
Recreation & Tennis Centers	615,579	555,200	493,482	448,460	575,270	758,618	720,290	708,090	705,390	719,498	733,888	748,566	763,537	778,808
Norman P. Murray Sr. Center	120,398	100,384	91,358	111,349	107,224	115,616	121,837	172,322	172,322	175,768	179,284	182,869	186,527	190,257
Subtotal Recreation and Community Svcs	1,749,524	1,586,835	1,486,658	1,538,734	1,738,010	1,873,548	1,865,502	1,967,787	1,937,387	1,976,135	2,015,657	2,055,971	2,097,090	2,139,032
Library Services:														
Library Services	218,053		1,341											
Cultural Services		37,615	114,257	122,449	91,538	81,001	137,570	101,870	101,870	103,907	105,986	108,105	110,267	112,473
Subtotal Library	218,053	37,615	115,598	122,449	91,538	81,001	137,570	101,870	101,870	103,907	105,986	108,105	110,267	112,473
TOTAL, SERVICES & SUPPLIES	34,465,851	31,742,991	31,436,768	33,343,575	33,874,322	35,534,305	38,354,666	39,560,432	40,022,470	41,200,489	42,102,209	43,174,304	44,098,889	45,262,947
TOTAL, CAPITAL OUTLAY	510,199	428,383	220,727	253,184	49,126	452,594	0	279,000	143,500	300,000	400,000	400,000	600,000	700,000
EXISTING DEBT SERVICE:														
2009 Bond Refinance Debt Service		-	1,230,346	1,235,731	1,298,542	1,358,886	1,357,000	1,355,000	1,363,000	1,357,062	1,355,313	1,356,812	1,351,313	1,358,569
1996 Library COPs	233,350	238,577												
TOTAL, DEBT SERVICE COSTS	233,350	238,577	1,230,346	1,235,731	1,298,542	1,358,886	1,357,000	1,355,000	1,363,000	1,357,062	1,355,313	1,356,812	1,351,313	1,358,569
TOTAL OPERATING BUDGET EXPENDITURES **	47,411,034	44,868,234	44,823,694	46,527,333	47,031,349	49,586,264	54,473,977	53,707,309	54,203,189	55,831,479	57,034,426	58,314,039	59,588,775	61,013,742
REVENUES LESS OPERATING EXPENDITURES:	1,190,633	2,611,399	3,345,221	2,339,616	3,562,258	3,089,702	(1,232,838)	1,373,646	1,048,174	1,183,860	1,862,309	2,283,504	2,733,954	3,086,573
NON-DISCRETIONARY TRANSFERS OUT:														
Animal Services	(521,260)	(482,831)	(476,611)	(410,450)	(475,000)	(530,389)	(549,409)	(584,650)	(578,940)	(578,940)	(578,940)	(578,940)	(578,940)	(578,940)
City Hall Debt Service	(1,118,112)	(1,053,251)												
Library Services Subsidy		(647,138)	(667,417)	(340,450)	(511,450)	(767,476)	(576,637)	(666,246)	(572,145)	(572,145)	(572,145)	(572,145)	(572,145)	(572,145)
TOTAL, TRANSFERS OUT	(1,639,372)	(2,183,220)	(1,144,028)	(750,900)	(986,450)	(1,297,865)	(1,126,046)	(1,250,896)	(1,151,085)	(1,151,085)	(1,151,085)	(1,151,085)	(1,151,085)	(1,151,085)
REVENUES LESS MANDATORY EXPENDITURES	(448,739)	428,179	2,201,193	1,588,716	2,575,808	1,791,838	(2,358,884)	122,750	(102,911)	32,775	711,224	1,132,419	1,582,869	1,935,488
TRANSFERS IN:														
Mall Bond Rolling Reserve Release	664,347	668,613	978,483	681,351	486,605	603,061	794,573	565,900	1,335,800	780,000	830,000	870,000	1,010,000	1,020,000
2009 Bond Refinancing Impact		-												
Appropriated Reserves Transfer In		552,772	1,192,548											
TOTAL, TRANSFERS IN	664,347	1,221,385	2,171,031	681,351	486,605	603,061	794,573	565,900	1,335,800	780,000	830,000	870,000	1,010,000	1,020,000
TRANSFERS OUT:														
Reserve Contribs and One-Time Transfers to Replc Funds:														
Mission Viejo Foundation Transfer						102,249								
CEFV Fund	(127,749)			500,000	-	-	-							
Fac Rehab/Repl Fund	(2,830,987)			202,000										
TOTAL, TRANSFERS OUT	(2,958,736)	0	0	702,000	0	102,249	0	0	0	0	0	0	0	0
TOTAL, TRANSFERS	(3,933,761)	(961,835)	1,027,003	632,451	(499,845)	(592,555)	(331,473)	(684,996)	184,715	(371,085)	(321,085)	(281,085)	(141,085)	(131,085)

MASTER FINANCIAL PLAN - GENERAL FUND

GENERAL FUND	Actual 2008-09	Actual 2009-10	Actual 2010-11	Actual 2011-12	Actual 2012-13	Actual 2013-14	FY 2014-15 AmdBudget	FY 2015-16 Budget	FY 2016-17 Budget	FY 2017-18 Projection	FY 2018-19 Projection	FY 2019-20 Projection	FY 2020-21 Projection	FY 2021-22 Projection
CAPITAL PROJECTS														
Cash-Financed Capital Projects:														
Public Works/Streets	179,581	32,305	1,123,612	25,992	30,435				-					
Parks & Playgrounds	135,246	37,331	2,135					650,000	650,000	500,000	500,000	500,000	500,000	500,000
Medians/Slopes/Open Spaces	-	-		-	13,935				-					
Recreation, Tennis & Aquatics Centers	198,842	32,518	127,045	5,769	494	-	30,000		-					
All Other Facilities	7,349	37,808	(27,010)	9,215	(7,169)	-	395,877	50,000	50,000					
Melinda Park Restroom														
Bleacher Shade Covers		64,781	41,396	21,669	86,239	-								
Dog Park		43,652	103,866	49,258	34,540	200,763	14,902		-					
Marguerite Tennis Center	45,867	200,681	61,689	4,167,446	346,199									
Norman P. Murray Center Expansion	158,040			-										
Park Restroom				-					500,000					
MV Lib Comm Room Remodel					25,225									
Marguerite Resurfacing Gen Fund					36,991									
Arterial hwy Slurry Seal Gen Fund					1,790									
TOTAL CAPITAL PROJECTS	724,925	449,076	1,432,733	4,279,349	568,679	200,763	440,779	700,000	1,200,000	500,000	500,000	500,000	500,000	500,000
Available Balance	(3,468,053)	1,200,488	2,939,491	(1,307,282)	2,493,733	2,296,385	(2,005,090)	(11,350)	32,889	312,775	1,041,224	1,502,419	2,092,869	2,455,488
Discretionary Reserves (\$ millions)	26.6	25.9	26.7	26.2	25.7	27.4	27.8	27.5	27.5	26.0	26.6	27.3	28.0	28.8
Target Level = 50%	54%	55%	55%	54%	51%	52%	52%	50%	50%	50%	50%	50%	50%	50%



RESOLUTION 15-34

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MISSION VIEJO, CALIFORNIA, APPROVING A BUDGET FOR 2015-17, AND APPROPRIATING FUNDS FOR FISCAL YEAR 2015/16 ONLY

WHEREAS, the City Manager presented to the City Council on June 1, 2015, a Proposed Budget for the 2015-17 fiscal years; and

WHEREAS, one budget workshop was duly scheduled, and held on June 15, 2015, and there was an opportunity for all persons to be heard and their suggestions or objections considered.

WHEREAS, City staff and the City Council have recommended certain changes be made to the Proposed Budget to reflect revised appropriations; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MISSION VIEJO, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the 2015-17 Budget for the City of Mission Viejo is hereby adopted.

SECTION 2. That appropriations are hereby authorized and revenue estimates confirmed for FY 2015/16 only, in accordance with the Proposed Budget dated June 1, 2015, as further modified by Council and staff on June 15, 2015, and July 6, 2015, as reflected on Exhibits A, B, C, D, E, and F to this Resolution.

SECTION 3. That regular staff positions are hereby authorized for FY 2015/16 in accordance with Exhibit G to this Resolution.

SECTION 4. That, for FY 2015/16, Department Heads are hereby authorized to overspend individual operating budget object accounts within the budget categories of personnel services, operations, and capital outlay, and are authorized to move appropriations from one object to another, within each budgetary program and within the same fund, provided that total appropriations for a budget program and within the same fund are not exceeded.

SECTION 5. That, for FY 2015/16, the City Manager is hereby authorized to transfer operating budget appropriations within the same fund between categories, budgetary departments and budgetary programs, but only within each of the five broad program areas of: General Government (Legislative and Management & Support combined); Public Safety; Community Development; Engineering & Transportation and Infrastructure Maintenance combined; and Recreation, Community and Library Services; provided that total appropriations for a program area by fund are not changed.

SECTION 6. That, for FY 2015/16, the City Manager is hereby authorized to transfer capital improvement project appropriations between projects up to a limit of \$30,000 per transfer, within the same fund and within the responsibility of the same

department.

SECTION 7. That changes to total program area appropriations, changes to total fund appropriations, all other changes to capital improvement project appropriations not specified in Section 6 of this Resolution, changes to the number of regular positions by classification, transfers to and/or from appropriated reserves, cancellation of appropriations, and appropriations of fund balances shall require the majority approval of the City Council.

SECTION 8. That encumbrances at the end of FY 2014/15 will be re-appropriated for continued use in FY 2015/16.

SECTION 9. That all active capital project appropriation balances that existed at the end of FY 2014/15 will be re-appropriated for continued use in the FY 2015/16.

SECTION 10. That \$36,000 in the Human Resources program, account 233101-7705 be re-appropriated for continued use in FY 2015/16 to supplement funds in the 2015-17 Human Resources program budget to fund organizational assessments of the recreation and library departments.

SECTION 11. That \$90,000 in the Information Technology program, account 233101-7500 be re-appropriated for continued use in FY 2015/16 to supplement funds in the 2015-17 Information Technology program budget to fund the redesign of the city website.

SECTION 12. That the unencumbered balance in the Information Technology program, account 233101-8451 be re-appropriated for continued use in FY 2015/16 for the completion of the accounting software implementation.

SECTION 13. That the net unencumbered balance in all Police Services programs be re-appropriated for continued use in FY 2015/16 to fund the 800 Mhz system upgrade.

SECTION 14. That \$15,000 in the Advanced Planning program, account 412101-6535 be re-appropriated to the Economic Development program for continued use in FY 2015/16 to fund the membership to OCTANe, a networking organization that facilitates economic development through technology.

SECTION 15. That \$30,000 in the Signal Maintenance program, account 524101-6575 be re-appropriated for continued use in FY 2015/16 to fund the purchase of traffic management related software.

SECTION 16. The Budget contains appropriations for the funding of the following community service organizations/projects: (1) Orange County Sheriff's Department of Valor ceremony (\$1,500); (2) Fair Housing Foundation (\$7,000); (3) Social Service agencies identified as part of the Community Development Block Grant allocation (\$60,670); (4) Marine and Sailors Adoption Committee (\$26,705); (5) Pacific Symphony (\$50,000); (6) Mission Viejo Activities Committee (\$82,000); (7) Capistrano Valley, Trabuco Hills, Mission Viejo, Silverado, and Tesoro High Schools for graduation

nights (\$8,500); (8) Community Service organizations (\$75,000); (9) American Cancer Society's Relay for Life (\$8,000); (10) Vocational Visions ceremony (\$1,250); (11) Trauma Intervention Program (\$11,200). In making these appropriations, and any additional appropriations to community service organizations/projects on July 6, 2015, the City Council finds, determines and declares that with respect to each matter: (1) the project provides a services for the City that complements or enhances a service that the City may lawfully provide itself; (2) the project provides a secondary benefit to the citizens of the City within the City's authority; and (3) the project provides a specific service to the City that the City could perform, but chooses not to perform or not to perform fully. Council hereby approves the contributions totaling over \$30,000 to the organizations/projects listed above or added on July 6, 2015.

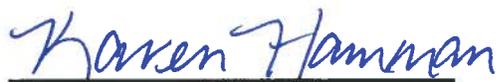
PASSED, APPROVED, AND ADOPTED this 6th day of July, 2015.


Cathy Schlicht
Mayor

I hereby certify that the foregoing Resolution was duly adopted by the City Council of the City of Mission Viejo at a regularly scheduled meeting thereof, held on the 6th day of July, 2015, by the following vote of the Council:

AYES:	Bucknum, Rath, Sachs, Schlicht, and Ury
NOES:	None
ABSENT:	None

ATTEST:


Karen Hamman
City Clerk



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CITY OF MISSION VIEJO
Adopted Appropriations Limit
Article XIII B Gann Initiative



Article XIII B of the California State Constitution, more commonly referred to as the Gann Initiative or Gann Limit, was adopted by California voters in 1980. This Article placed annual limits on the amount of tax proceeds that State and local governmental agencies can receive and appropriate (i.e., authorize to spend). The limit is different for each agency and changes each fiscal year. The limit is based on the amount of tax proceeds that were authorized to be spent in FY 1978/79 in each agency, modified for changes in inflation and population in subsequent years.

For Mission Viejo and other cities that incorporated after FY 1978/79, the voters set the initial appropriations limit. Mission Viejo voters established the initial appropriations limit for the City at \$35,000,000. Each subsequent year the limit is increased or decreased for changes in inflation and population according to calculation methods prescribed by Proposition 111, which was passed by the State's voters in June, 1990.

The law now requires a governing body to annually adopt, by resolution, an appropriations limit for the following year, along with a recorded vote regarding which of the annual adjustment factors have been selected. The City's FY 2015/16 appropriations limit and annual adjustment factor, which are shown below, were presented to the City Council at the June 1, 2015 meeting

<u>I. 2014-15 APPROPRIATIONS LIMIT:</u>			
2013-14 Limit			\$427,442,006
x Annual Adjustment Factors:			
Population Increase (for the City)	1.397%	1.01397	
Inflation Change (California Personal Income)	3.820%	1.03820	
		1.05271	
2014-15 Limit			\$449,971,529
<u>II. APPROPRIATIONS SUBJECT TO LIMIT AND APPROPRIATIONS MARGIN:</u>			
Proceeds of Taxes		50,672,382	
Less Exclusions:			
Federal Mandates		1,015,701	
Total Exclusions		1,015,701	
	Appropriations Subject To Limit		49,656,681
Appropriations Margin			\$400,314,848



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CITY OF MISSION VIEJO *Glossary*



GLOSSARY OF BUDGET-RELATED TERMS

ACCRUAL BASIS: The method of accounting under which revenues and expenses are recorded when they occur, regardless of the timing of related cash flows. Expenses are recorded at the time liabilities are incurred and revenues are recorded when earned.

AMERICANS WITH DISABILITIES ACT (ADA): The Americans with Disabilities Act is a Federal law that gives civil rights protections to individuals with disabilities. The law guarantees equal opportunity for individuals with disabilities in State and local government services, public accommodations, employment, transportation, and telecommunications.

APPROPRIATION: A legal authorization granted by the City Council to make expenditures or incur obligations for specific purposes.

ATTRITION: A reduction in staff due to resignation or retirement.

ASSESSED VALUATION: The value assigned to real property (land and buildings) and tangible personal property (moveable property) by the Orange County Assessors Office for use as a basis in levying property taxes.

BALANCED BUDGET: The amount of budgeted expenditures is equal to or less than the amount of budgeted revenues plus other available sources.

BOND: A certificate of debt issued by an entity, guaranteeing payment of the original investment, plus interest, by a specified future date.

BUDGET: A financial plan that identifies revenues, and specific types and levels of services to be provided and establishes the amount of money that can be spent.

CAPITAL IMPROVEMENT PROGRAM: A multi-year financial plan for construction of physical assets such as buildings, streets, and recreational facilities.

CAPITAL OUTLAY: Expenditures that qualify as capital costs according to accounting standards. Includes items such as furniture, fixtures, machinery, equipment and other relatively minor fixed assets.

CONSUMER PRICE INDEX (CPI): A statistical description of price levels provided by the U.S. Department of Labor. The change in this index from year to year is used to measure the cost of living and economic inflation.

CONTINGENCY: A budgetary reserve set aside for emergency or unanticipated expenditures.

CSMFO: The California Society of Municipal Finance Officers, a statewide organization of municipal finance professionals. CSMFO annually sponsors a Budget Awards Program, which recognizes municipal budgets in four categories: operating budgets, capital budgets, public communications documents, and innovations in budgeting.

DEBT INSTRUMENT: Methods of borrowing funds, including general obligations (G.O.) bonds, revenue bonds, lease/purchase agreements, lease-revenue bonds, tax allocation bonds, certificates of participation (COPs), and assessment district bonds.



CITY OF MISSION VIEJO *Glossary*



DEBT SERVICE: The payment of principal and interest on borrowed funds such as bonds and other debt instruments according to a pre-determined schedule.

DEFEASANCE: The irrevocable setting aside of sufficient funds with a third party bank to pay, together with interest earnings thereon, the principal and interest of debt obligations when they become due, such that the legal liability to pay such debt has been extinguished at the time of the set-aside.

DEPARTMENT: A major organizational unit of government that has overall management responsibility for a group of related service responsibilities or operations within a functional area. A department typically is comprised of divisions.

DIVISION: An organizational unit, which provides specific services or products within a department. Divisions may be comprised of one or more programs.

ENCUMBRANCE: An amount of money committed for the payment of goods and services not yet received or paid for. A purchase order is a common encumbrance.

EXPENDITURE: Decrease in net financial resources. Represents the actual payment for goods and services or the accrual thereof.

FIXED ASSETS: Tangible assets having a long life that are intended to be held or used, such as land, buildings, machinery, furniture and other equipment.

FISCAL YEAR: The period designated by the City for the beginning and ending of financial transactions. The City's fiscal year begins July 1 and ends June 30.

FULL-TIME EQUIVALENTS (FTE): The amount of time a position has been budgeted for in terms of the amount of time a regular, full-time employee normally works in a year. For example, a full-time employee (1 FTE) is paid for 2,080 hours per year while a .25 FTE employee would work 520 hours per year.

FUND: An accounting entity with a set of self-balancing accounts used to record the financial affairs of a governmental organization.

FUND BALANCE: The difference between the assets and liabilities for a particular fund. Also represents the amount available for future spending from a fund.

GENERAL PLAN: A comprehensive, long-term plan, required of all California cities, for the physical development of the city. Mission Viejo's General Plan was initially adopted by the City Council on October 8, 1990; its policies, goals, and objectives are implemented through the City's development standards.

GFOA: The Government Finance Officers Association of the United States and Canada, an organization of government finance officials in the United States and Canada. GFOA annually sponsors a Distinguished Budget Presentation Awards program and makes awards to those governmental budgets that meet program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

GRANT: Contributions, gifts of cash, or other assets from another government entity to be used or expended for a special purpose, activity or facility.



CITY OF MISSION VIEJO *Glossary*



INFRASTRUCTURE: The underlying physical foundation or basic framework of a city, including streets, medians, sidewalks, bridges, traffic signals, buildings, parks, and other related facilities and fixtures.

MASTER FINANCIAL PLAN: The City's long-range financial plan that, on a biennial basis, projects General Fund revenues and expenditures over a seven-year period.

MISSION STATEMENT: A statement describing the main purpose of an organization in general, timeless terms.

MODIFIED ACCRUAL BASIS: The method of accounting under which revenues are recorded when they are both measurable and available while expenditures are recognized when incurred.

OPERATING BUDGET: A budget that is based on the day-to-day costs of delivering City services.

OPERATING COSTS: Items categorized as operating costs in this budget include office supplies and other materials used in the normal operations of City departments. Includes items such as books, maintenance materials and contractual services.

ORDINANCE: A formal legislative enactment by the City Council.

PERFORMANCE MEASURE: A measure that gauges the amount or quality of work performed and results achieved. Types of measures include: input, output, efficiency, and effectiveness.

PERSONNEL COSTS: Salaries and benefits paid to City employees. Included are items such as insurance and retirement.

PROGRAM: A subsection of a division that provides a specific service or product. A program is the smallest unit of service. There may be one or more programs within a division.

PROGRAM AREA: A grouping of individual programs in one or more departments that are similar based on a broad definition of the type of service provided.

PROGRAM BUDGET: A budget wherein expenditures are displayed based on programs of work, and only secondarily by the character and object class of the expenditure.

RESERVE: A separate account maintained for restricted use, e.g. self-insurance programs, capital improvement projects, or for unrestricted use to protect the City from emergencies or unanticipated expenditures.

RESOLUTION: An order of a legislative body requiring less formality than an ordinance.

RESOURCES: The amounts available for appropriation including estimated revenues, beginning fund balances and beginning appropriated reserves.

REVENUE: Income received through such sources as taxes, fines, fees, grants or service charges which can be used to finance operations or capital assets.

RISK MANAGEMENT: An organized attempt to protect an organization's assets against accidental loss in the most cost-effective manner.



CITY OF MISSION VIEJO *Glossary*



SUBVENTIONS: Revenues collected by the State that are allocated to the City on a formula basis. The major subventions received by the City from the State of California include motor vehicle in-lieu, and gasoline taxes.

TRUST & AGENCY FUNDS: These funds are used to account for assets held by the City in a trustee capacity or as an agent.

VISION: A guiding statement that describes a desirable future state toward which priority efforts should be directed.

WORKING CAPITAL: A financial measure calculated as current assets minus current liabilities; it represents the amount of day-to-day operating liquidity of an organization.



**2015-17 Adopted Budget
Authorized Positions
Regular Positions/Full-Time Equivalents (FTE)**

TO BE EFFECTIVE JULY 1, 2015

Retitle
Reclassification
FTE Reduction
FTE Increase

Department	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Adopted	FY 2015/16 Adopted	Change from Prior Year	FY 2016/17 Adopted	Change from Prior Year
City Council							
Councilmembers	5.000	5.000	5.000	5.000	0.000	5.000	0.000
Total City Council	5.000	5.000	5.000	5.000	0.000	5.000	0.000
City Manager							
City Manager	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Executive Assistant	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Senior Executive Assistant	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Total City Manager	3.000	3.000	3.000	3.000	0.000	3.000	0.000
Administrative Services							
Director of Admin Services/City Treasurer	1.000	1.000	1.000	1.000	0.000	1.000	0.000
<i>Accountant</i>	<i>1.000</i>	<i>1.000</i>	<i>1.000</i>	<i>2.000</i>	<i>1.000</i>	<i>2.000</i>	<i>0.000</i>
Accounting Clerk	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Accounting Information Specialist	0.800	0.800	0.800	0.800	0.000	0.800	0.000
Accounting Manager	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Accounting Supervisor	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Accounting Technician	0.000	0.000	1.000	1.000	0.000	1.000	0.000
Administrative Assistant	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Budget & Purchasing Analyst	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Budget & Research Manager	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Human Resources Analyst	1.000	1.000	1.000	1.000	0.000	1.000	0.000
<i>Junior Accountant</i>	<i>1.000</i>	<i>1.000</i>	<i>1.000</i>	<i>0.000</i>	<i>-1.000</i>	<i>0.000</i>	<i>0.000</i>
Payroll & Accounting Technician	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Payroll Technician	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Purchasing Analyst	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Senior Accountant	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Senior Accounting Clerk	1.000	1.000	0.000	0.000	0.000	0.000	0.000
Senior Department Assistant	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Sr. Human Resources Analyst	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Treasury Assistant	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Treasury Manager	0.900	0.900	0.900	0.900	0.000	0.900	0.000
Total Administrative Services	14.700	14.700	14.700	14.700	0.000	14.700	0.000
City Clerk							
City Clerk / Director of Community Relations	1.000	1.000	0.000	0.000	0.000	0.000	0.000
Director of Community Relations/City Clerk	0.000	0.000	1.000	1.000	0.000	1.000	0.000
Assistant City Clerk	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Marketing Graphics Designer	0.000	0.000	1.000	1.000	0.000	1.000	0.000
Records Management and Community Relations Coordinator	1.000	1.000	0.000	0.000	0.000	0.000	0.000
Records/Television Production Coordinator	0.000	0.000	1.000	1.000	0.000	1.000	0.000
Total City Clerk	3.000	3.000	4.000	4.000	0.000	4.000	0.000
Community Development							
Director of Community Development	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Administrative Assistant	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Associate Planner	2.000	2.000	1.000	1.000	0.000	1.000	0.000
Code Enforcement Officer	2.000	1.000	1.000	1.000	0.000	1.000	0.000
Code Enforcement Supervisor	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Economic Development Manager	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Planning and Economic Development Manager	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Senior Code Enforcement Officer	0.000	1.000	1.000	1.000	0.000	1.000	0.000
Senior Planner	0.000	0.000	1.000	1.000	0.000	1.000	0.000
Total Community Development	9.000	9.000	9.000	9.000	0.000	9.000	0.000
Information Technology							
Director of Information Technology	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Administrative Assistant	0.750	0.750	0.750	0.750	0.000	0.750	0.000
Information Technology Manager	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Information Technology Service Delivery Manager	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Information Technology Specialist	3.000	5.000	5.000	5.000	0.000	5.000	0.000
Information Technology Technician	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Total Information Technology	7.750	9.750	9.750	9.750	0.000	9.750	0.000



**2015-17 Adopted Budget
Authorized Positions
Regular Positions/Full-Time Equivalents (FTE)**



TO BE EFFECTIVE JULY 1, 2015

Retitle
Reclassification
FTE Reduction
FTE Increase

Department	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Adopted	FY 2015/16 Adopted	Change from Prior Year	FY 2016/17 Adopted	Change from Prior Year
Library Services							
Director of Library & Cultural Services	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Cultural Services Supervisor	2.000	2.000	2.000	2.000	0.000	2.000	0.000
Design & Marketing Specialist	1.000	1.000	0.000	0.000	0.000	0.000	0.000
Librarian I/II	6.700	6.700	6.700	6.700	0.000	6.700	0.000
Library Assistant	3.500	2.500	2.500	2.500	0.000	2.500	0.000
Library Clerk	2.900	2.900	2.900	2.900	0.000	2.900	0.000
Library Manager	3.000	3.000	3.000	3.000	0.000	3.000	0.000
Library Services Coordinator	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Senior Librarian	3.000	3.000	3.000	3.000	0.000	3.000	0.000
Senior Library Assistant	1.000	2.000	2.000	2.000	0.000	2.000	0.000
Total Library Services	25.100	25.100	24.100	24.100	0.000	24.100	0.000
Public Services							
Assistant City Manager/Director of Public Services	1.000	1.000	1.000	1.000	0.000	1.000	0.000
<i>Animal Services Assistant</i>	<i>3.500</i>	<i>3.500</i>	<i>3.500</i>	<i>4.000</i>	<i>0.500</i>	<i>4.000</i>	<i>0.000</i>
Animal Services Licensing Representative	1.500	1.750	1.750	1.750	0.000	1.750	0.000
Animal Services Manager	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Animal Services Officer	4.000	4.000	4.000	4.000	0.000	4.000	0.000
Animal Services Representative	2.000	2.000	2.000	2.000	0.000	2.000	0.000
Animal Services Supervisor	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Animal Services Volunteer Coordinator	0.750	0.750	0.750	0.750	0.000	0.750	0.000
<i>Custodian</i>	<i>2.000</i>	<i>2.000</i>	<i>2.000</i>	<i>1.000</i>	<i>-1.000</i>	<i>1.000</i>	<i>0.000</i>
Emergency Services Manager	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Facilities Maintenance Manager	0.000	1.000	1.000	1.000	0.000	1.000	0.000
Facilities Maintenance Superintendent	1.000	0.000	0.000	0.000	0.000	0.000	0.000
Public Services Operations Manager	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Public Services Supervisor	5.000	5.000	5.000	5.000	0.000	5.000	0.000
Public Svcs Contracts Administrator	1.000	0.000	0.000	0.000	0.000	0.000	0.000
Senior Animal Services Officer	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Senior Department Assistant	1.000	1.000	1.600	1.600	0.000	1.600	0.000
Sr Public Svcs Contracts Administrator	4.000	5.000	5.000	5.000	0.000	5.000	0.000
Total Public Services	31.750	32.000	32.600	32.100	-0.500	32.100	0.000
Public Works							
Director of Public Works	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Administrative Assistant	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Assistant City Engineer	1.000	1.000	1.000	1.000	0.000	1.000	0.000
City Engineer	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Engineering Technician	0.625	0.625	0.000	0.000	0.000	0.000	0.000
Environmental Program Administrator	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Program Engineer	0.750	0.750	0.750	0.750	0.000	0.750	0.000
Senior Engineering Technician	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Sr Public Works Inspector	2.000	2.000	2.000	2.000	0.000	2.000	0.000
Transportation Analyst	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Transportation Manager	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Total Public Works	11.375	11.375	10.750	10.750	0.000	10.750	0.000
Recreation & Community Services							
Director of Recreation & Community Services	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Administrative Assistant	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Community & Senior Center Administrator	1.000	1.000	1.000	1.000	0.000	1.000	0.000
<i>Community & Senior Center Supervisor</i>	<i>1.000</i>	<i>1.000</i>	<i>1.000</i>	<i>0.000</i>	<i>-1.000</i>	<i>0.000</i>	<i>0.000</i>
Community Services Coordinator	4.625	5.625	5.625	5.625	0.000	5.625	0.000
Community Services Manager	2.000	2.000	2.000	2.000	0.000	2.000	0.000
<i>Community Services Specialist</i>	<i>7.175</i>	<i>6.175</i>	<i>5.175</i>	<i>4.950</i>	<i>-0.225</i>	<i>4.950</i>	<i>0.000</i>
<i>Community Services Supervisor</i>	<i>5.000</i>	<i>5.000</i>	<i>5.000</i>	<i>6.000</i>	<i>1.000</i>	<i>6.000</i>	<i>0.000</i>
<i>Department Assistant</i>	<i>3.000</i>	<i>3.000</i>	<i>2.500</i>	<i>1.000</i>	<i>-1.500</i>	<i>1.000</i>	<i>0.000</i>
<i>Sr Department Assistant</i>	<i>0.800</i>	<i>0.800</i>	<i>0.800</i>	<i>2.300</i>	<i>1.500</i>	<i>2.300</i>	<i>0.000</i>
Total Recreation & Community Services	26.600	26.600	25.100	24.875	-0.225	24.875	0.000
GRAND TOTAL	137.275	139.525	138.000	137.275	0.000	137.275	0.000



CITY OF MISSION VIEJO ***Accounting System and Internal Controls***

BASIS OF PRESENTATION

The financial transactions of the City are recorded in individual funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Descriptions of individual funds are included elsewhere in the Appendix to this budget document. In summary, the funds used by the City of Mission Viejo are grouped as follows:

Governmental Funds

General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. In addition, for budgetary purposes, the City maintains two separate replacement reserve funds, the Computer/Equipment/Furnishings/ Vehicles (CEFV) Replacement Fund and the Facility Rehabilitation/Replacement Fund, which are combined with the General Fund for purposes of the City's audited financial statements.

Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City of Mission Viejo maintains several special revenue funds for gas taxes; library operations funded from restricted property taxes; various types of transportation funding and other grant programs; and the operations of the senior center.

Debt Service Funds

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, principal and interest general long-term debt.

Proprietary Funds

Enterprise Funds

Enterprise Funds are established for government activities that are financed and operate in a manner similar to private business. User fees primarily finance costs of providing services to the general public. The City has three enterprise funds --- one for animal services and two for the Mission Viejo Television program.

BASIS OF ACCOUNTING

The City's accounting system operates on a basis consistent with "generally accepted accounting principles" (GAAP), which requires that the "modified accrual" basis be used for all Governmental Funds. A modified accrual system is one where 1) revenues are recorded when received in cash and are accrued when they are both measurable and available within the accounting period or soon enough after the end of the period to pay liabilities of the period; and 2) expenditures, other than interest or long-term debt, are recorded when liabilities are incurred. For Proprietary Funds, the accrual basis is utilized; revenues are recognized when earned, and expenses are recognized when incurred.



CITY OF MISSION VIEJO *Accounting System and Internal Controls*

BASIS OF BUDGETING

The budgets for all Governmental Funds are prepared on a modified accrual basis. Revenue estimates for Governmental Funds include resources expected to be received and also resources that will be measurable and available at year-end. The basis of budgeting for Governmental Funds differs from the basis of accounting for these funds in that each governmental fund's budget is based on all expected obligations to be incurred. Expected obligations include both purchase orders to be issued as well as services to be received. During the year, for budgetary control purposes, encumbrances are recorded against appropriations when a commitment is made (e.g., at the time a purchase order is issued).

Budgets for Proprietary (Enterprise) Funds are generally prepared on a full accrual basis. Revenue estimates are based on resources expected to be earned and expenses are budgeted based on the total expected obligations expected to be incurred. In each of the two funds, depreciation and capital outlay are budgeted. During the course of the year, for both Enterprise Funds, encumbrances are recorded against appropriations when a commitment is made (e.g., at the time a purchase order is issued).

The City's Comprehensive Annual Financial Report shows Governmental Fund expenditures on both a GAAP basis and budgetary basis for comparison purposes.

INTERNAL CONTROLS

The City is responsible for establishing and maintaining an internal control structure designed to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived, and 2) the valuation of costs and benefits requires estimates and judgments by management.



CITY OF MISSION VIEJO
Debt Administration



The City's Management and Budget policy on capital financing and debt management (see Section 4 of these policies, which are located in their entirety in the Appendices) directs that there be a balance between pay-as-you-go financing (i.e., funding projects using available cash on hand) and debt financing of capital projects.

In addition to the City Council approved policies governing capital financing and debt management, the City is subject to a State-imposed legal debt limit. This debt limit refers to "general obligation debt," and specifies that it cannot exceed 15% of the City's assessed property valuation. The table below shows the City of Mission Viejo's legal debt limit calculation, based on the FY 2014/15 assessed valuation per the County of Orange, Auditor/Controller. As the table shows, if the city chose to, it could incur more than \$545 million in debt.

However, State laws significantly limit the ability of local governments to issue general obligation debt. Accordingly, most governments, including Mission Viejo, have utilized other forms of long-term financing, including certificates of participation and lease revenue bonds, to address capital financing needs. There is no legal limit on these forms of long-term financing.

Legal Debt Limit (General Obligation Debt)	
Assesed Valuation, FY 2013/14*	\$ 13,639,459,848
Adjusted Assesed Valuation (x 0.25)	\$ 3,409,864,962
Legal Debt Limit -- 15% of Adjusted Assesed Valuation	\$ 511,479,744
Amount of Debt Applicable to Limit	\$ -
Legal Debt Margin	\$ 511,479,744
Percent of Legal Debt Limit Utilized	0%
<small>*This figure from Orange County Auditor/Controller, "Assesed Valuations" table</small>	

Since incorporation, the City has relied predominantly on pay-as-you-go financing for funding capital projects. No general obligation debt has ever been used and other forms of general bonded debt have been utilized sparingly. The City has no plans to issue new bonds during the 2015-17 budget period.

Outstanding Bond Issues

The 2009 Series A Lease Revenue Bonds were issued in 2009 for \$17.305 million to refinance the 1996 Certificates of Participation (COPs) and the 2001 Lease Revenue Bonds. Debt service on these bonds is \$1,354,113 in FY 2015/16, and \$1,362,313 in FY 2016/17 and comprise 2.5% of General Fund revenue in FY 2015/16 and 2.4% in FY 2016/17. From FY 2015/16 until the loan is paid off in FY 2030/31, debt service payments are approximately \$1.35 million annually.

There are two additional outstanding bond issues – both relate to the financing of public parking improvements at the "Shops at Mission Viejo." The table below provides details on the City's outstanding bond debt.



**CITY OF MISSION VIEJO
Debt Administration**



The first of the two mall bond issues, the 1999 Series A bonds, are variable-rate demand revenue bonds. At June 30, 2015, \$20.7 million of these bonds were outstanding. These bonds are secured solely by mall property tax increment and 50% of mall sales tax. A rate cap of 5.5% offers interest rate protection and letters of credit assure adequate liquidity. Project revenues (e.g., property tax increment and sales tax) in excess of annual debt service requirements are, after one year, released to the City and/or are available for 1999 Series B bond debt service.

It is anticipated that approximately \$1,574,533 in excess project revenues will be returned to the City's General Fund during 2015-16 (i.e., the "rolling reserve release" amount).

The 1999 Series B bonds are subordinate bonds, held by the mall owner. Debt service is payable only from excess project

revenues released from the Series A bonds. At June 30, 2015, the outstanding principal was \$7.3 million and the unpaid interest was \$1.8 million. Any unpaid debt service as of 2028 will be forgiven. There remains \$2.7 million of authorized, but unissued, Series B bonds.

Bond Debt Service Requirements to Maturity				
Year Ending June 30	CDFA**		General Fund	Total
	1999 Series A Revenue Bonds*		2009 Series A Lease Revenue Bonds	
2016	\$ 1,109,341		\$ 1,354,113	\$ 2,463,453
2017	\$ 1,208,820		\$ 1,362,313	\$ 2,571,133
2018	\$ 1,208,280		\$ 1,357,063	\$ 2,565,343
2019	\$ 1,307,740		\$ 1,355,313	\$ 2,663,053
2020	\$ 1,307,175		\$ 1,356,813	\$ 2,663,987
2021	\$ 1,406,570		\$ 1,351,313	\$ 2,757,883
2022	\$ 1,505,940		\$ 1,358,569	\$ 2,864,509
2023	\$ 1,505,265		\$ 1,348,169	\$ 2,853,434
2024	\$ 1,604,603		\$ 1,361,769	\$ 2,966,371
2025	\$ 1,603,870		\$ 1,358,769	\$ 2,962,639
2026	\$ 1,603,150		\$ 1,353,519	\$ 2,956,669
2027	\$ 1,702,430		\$ 1,361,019	\$ 3,063,449
2028	\$ 1,801,670		\$ 1,130,519	\$ 2,932,188
2029	\$ 1,900,431		\$ 1,134,614	\$ 3,035,045
2030	\$ -		\$ 1,135,513	\$ 1,135,513
2031	\$ -		\$ 1,136,700	\$ 1,136,700
	\$ 20,775,283		\$ 20,816,082	\$ 41,591,366
Lease Amount Representing Interest	\$ (75,283)		\$ (6,341,082)	\$ (6,416,366)
Outstanding Principle	\$ 20,700,000		\$ 14,475,000	\$ 35,175,000

**Debt service requirements to maturity are based on the interest rate in effect as of June 30, 2014. The interest rate is currently 0.08%, and is reset weekly per the terms of the bond issuance.*

***Excluded from this table is the 1999 Series B Revenue Bonds, since these are subordinate bonds and a minimum debt service payment amount has yet to be established.*



CITY OF MISSION VIEJO
Descriptions of Individual Funds



GENERAL FUND GROUP:

GENERAL FUND (Fund 101) – Used to account for resources traditionally associated with government, which are not required legally or by sound financial management to be accounted for in another fund.

CDA/SUCCESSOR AGENCY (SA) ADMINISTRATIVE COSTS REVOLVING FUD (Fund 109) – Used to accumulate charges to, and revenues received from the SA, (formerly the Community Development Agency (CDA)) for SA administrative work performed by City staff.

COMPUTER/EQUIPMENT/FURNISHINGS/VEHICLES REPLACEMENT (Fund 180) – Used to account for the accumulation of resources and expenditures for the replacement of computers, office equipment, furnishings and vehicles.

FACILITY REHABILITATION/REPLACEMENT (Fund 190) – Used to account for the accumulation of resources and expenditures for the rehabilitation and replacement of existing City facilities.

SPECIAL REVENUE FUND GROUP:

Special Revenue funds are used to account for the proceeds of specific revenues sources that are restricted to expenditures for specified purposes.

AIR QUALITY IMPROVEMENT TRUST (Fund 219) - This fund was established to account for the City's share of vehicle registration fees collected under Assembly Bill 2766 passed during the 1990 State Legislative session. This fee was levied to fund programs to reduce air pollution from mobile sources such as cars, trucks and buses. Allocations to agencies are made on an apportionment basis and also through a competitive process. The South Coast Air Quality Management District distributes these funds to the City.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) (Fund 260) – This fund accounts for the receipt and expenditure of funds associated with this Federal grant program. The City receives an entitlement under this program and administers its own grant award. Funds are used to revitalize neighborhoods through housing rehabilitation, expand affordable housing and economic opportunities, and improve community facilities and services, principally to benefit low- and moderate-income persons. The City carries out some of these activities itself and also awards some of the funds to outside organizations.

CROWN VALLEY CORRIDOR FEES (Fund 218) – Used to account for the receipt and expenditure of funds received from developers under the Crown Valley Corridor Fee program. This program was established by the City to provide funding for improvements to the Crown Valley Parkway corridor area, with assessments proportionate to the impact caused by new developments in that area.

GAS TAX FUNDS (Fund 211/212) – Used to account for receipts and expenditures of money apportioned under the Streets and Highways Code, sections 2105, 2106, 2107 and 2107.5, of the State of California. These funds are earmarked for maintenance, rehabilitation or improvement of public streets. Section 2107.5 funds can be used for engineering and gas tax auditing costs. In addition, beginning in FY 2010/11, the new excise tax on fuel, which took the place of State Traffic Congestion Relief/ Proposition 42 funds, is recorded in the gas tax fund.



CITY OF MISSION VIEJO
Descriptions of Individual Funds



LIBRARY (Fund 201) – This fund is used to account for the receipts and expenditures of funds related to library activities. Library operations are funded primarily from property taxes restricted for library purposes, originally levied by the County of Orange and transferred to the City effective July 1, 1996.

MEASURE M/M2 SALES TAX APPORTIONMENT (Fund 220/267) – Represents funds apportioned by the Orange County Transportation Authority (OCTA) and received by the City as a result of the voter-approved initiative that increased sales tax by 1/2 cent in Orange County to fund transportation projects. The original Measure M funds were approved in 1990; Measure M2 represents funds since the sales tax was renewed by Orange County voters in 2006.

MISSION VIEJO COMMUNITY FOUNDATION (Fund 261) – This fund is used to account for the receipt and expenditure of funds received from the Mission Viejo Foundation that are restricted for certain capital projects.

PARK DEVELOPMENT FEES (Fund 245) – This fund was established to account for receipts and expenditures of fees collected from developers to fund park development associated with the approval of additional housing units or park improvement projects.

PROP 1B/STATE INFRASTRUCTURE BOND (Fund 265) – This fund was established to account for receipts and expenditures related to infrastructure improvements established by Prop 1B.

OCTA FUND EXCHANGE (Fund 207) – Used to account for gas tax funds received from the Orange County Transportation Authority (OCTA) under an exchange program whereby the City gives OCTA general funds of the City previously used for street purposes. This exchange program was the result of the Orange County bankruptcy recovery plan, which transferred sales taxes previously received by OCTA to the County in exchange for County gas taxes. A number of Orange County cities participated in the exchange program.

OTHER MEASURE M FUNDS – Represents funds received by the City from OCTA and their related expenditure, which are awarded through competitive allocation. Funds are restricted for transportation purposes. These funds include:

- Measure M-Master Plan of Arterial Highways (MPAH) (Fund 223)
- Measure M-Growth Management Area 9 (Fund 224)
- Measure M-Growth Management Area 10 (Fund 226)
- Measure M-Intersection (Fund 228)
- Measure M-Signal (Fund 230)
- Measure M-Arterial Capacity Enhancement (ACE) (Fund 272)
- Measure M2-Environmental Cleanup Program (Fund 275)
- Measure M2-Arterial Pavement Management (Fund 279)

OTHER GRANT FUNDS – The City receives grant awards from various sources based on an application process. Currently included in these funds are monies from Federal, State and County governments that are used to fund several specific transportation and park capital improvement projects. These grant funds include:

- Federal Regional Surface Transportation Program (RSTP) (Fund 234)
- Transportation Equity Act – ISTEA (Fund 248)



CITY OF MISSION VIEJO
Descriptions of Individual Funds



- Federal Transportation Appropriations (Fund 254)
- State Traffic Congestion Relief (STCR) (Fund 255)
- Federal Highway Bridge Replacement/Rehabilitation (HBRR) (Fund 258)
- Miscellaneous Federal Grants (Fund 264)
- Miscellaneous State Grants (Fund 266)
- American Recovery and Reinvestment Act (ARRA) Stimulus (Fund 268)
- County Traffic Congestion Relief (TCR) (Fund 269)
- Federal Energy Grant (EECBG) Fund (Fund 271)
- Highway Safety Improvement Program (HSIP) (Fund 276)
- OC Muni Water District Grant (Fund 277)
- Regional Narcotics Suppression Grant (Fund 251)

SAFE ROUTES TO SCHOOL FUND (Fund 273) – The Federal Safe Routes to School (SRTS) program is a reimbursement funding program intended to reduce injuries and fatalities through capital projects that improve safety for children in grades K-8 who walk or bicycle to school.

SCRIP FUND (Fund 262) – South County Roadway Improvement Program (SCRIP) is a developer funding program for implementing transportation improvements in South Orange County necessitated by the expected traffic impacts of the Ranch Plan development.

SENIOR CENTER OPERATIONS (Fund 225) – This fund is used to account for receipts and expenditures related to activities at the City’s Senior Center. The Senior Center, built in 1988, was funded in part through the State of California Senior Center Bond Act, which requires that revenues generated at the facility be used to benefit seniors.

SENIOR MOBILITY GRANT (Fund 278) – This fund was established to account for receipts and expenditures of funds related to the Senior Meals and Senior Transportation programs.

SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND (Fund 202) – This fund is used to account for the receipts and expenditures of funds related to the Citizens’ Option for Public Safety (COPS) program. This is a State-funded program requiring annual appropriation by the State Legislature. Funds are used for front-line municipal police services.

DEBT SERVICE FUND GROUP:

Debt Service funds are used to account for the accumulation of resources for, and the payment of, principal and interest on general long-term debt.

MISSION VIEJO MALL PARKING LEASE (Fund 343) – This fund accounts for the receipt of sales tax revenue from the Shops at Mission Viejo (formerly the Mission Viejo Mall) that is pledged to debt service for the 1999 Series A bonds issued by the Mission Viejo Community Development Financing Authority, the proceeds of which were used to build public improvements at the mall in conjunction with the mall expansion project in 1999. Approximately 50% of the sales tax generated from the mall is pledged to debt service annually. This fund also accounts for the transfer of these funds to the Authority’s bond trustee.



CITY OF MISSION VIEJO
Descriptions of Individual Funds



ENTERPRISE FUND GROUP:

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to a private business enterprise -- where the intent of the City Council is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City of Mission Viejo's enterprise funds are summarized below.

MISSION VIEJO TELEVISION (Fund 510) – To account for the operation of Mission Viejo Television (MVTV), an activity co-sponsored by the City and the Saddleback Valley Unified School District.

MVTV CAPITAL FUND (Fund 511) – This is a new fund established in FY 2011/12 to account for new franchise revenue (an additional 1% of gross tax receipts annually) per the State franchise agreement. This revenue can only be used for the purchase of capital equipment.

ANIMAL SERVICES (Fund 560) – To account for the City's animal services operations. The City of Mission Viejo provides animal licensing, field patrol and shelter services to the City of Laguna Niguel and the City of Aliso Viejo under contract to those cities and shares the total costs of the program with those cities, net of total program revenues, on a basis proportional to population.



CITY OF MISSION VIEJO ***Community at a Glance*** ***and Selected Demographic Statistics***

GENERAL INFORMATION

Mission Viejo is a 17.4 square mile community located in south Orange County, California. It is located about halfway between Los Angeles and San Diego, along the east side of Interstate 5.

Mission Viejo's master plan, approved by the County of Orange in 1965, laid the foundation for the development of a community having a broad range of housing opportunities.

HISTORY

Mission Viejo is built upon what once was part of the 53,000 acre Rancho Mission Viejo. The chain of title to the land dates back to 1769, close to the beginning of Spanish rule in California. In the 1800's, an English trader, John Foster (later Don Juan Forster) purchased Rancho Mission Viejo and Rancho Trabuco. After Forster's death in 1882, his sons began selling the land holdings. A cattle rancher, James O'Neill, eventually took possession of the Rancho Mission Viejo lands in 1907. For decades, Rancho Mission Viejo was a working cattle ranch.

In 1963, the Mission Viejo Company began the purchase of 10,000 acres of Rancho Mission Viejo for a new, planned community. Three years later, this new community welcomed its first residents.

On November 3, 1987, the residents voted to incorporate. Mission Viejo officially became a city on March 31, 1988. On December 16, 1992, the Aegean Hills area was annexed to the City.

CITY GOVERNMENT

The City of Mission Viejo is a General Law city that operates under the Council- Manager form of city government.

The voters elect five "at-large" members to serve on the City Council for staggered four-year terms. There is a term limit of three terms for Council members. The Council appoints the City Manager and selects one of its members to serve as Mayor for a one-year term. The City Council holds regular public meetings on the first and third Mondays of each month. Beginning August 25, 2015 City Council regular public meetings will be held on the second and fourth Tuesdays of each month.

DEMOGRAPHIC AND ECONOMIC INFORMATION

The Department of Finance as of January 2015, shows a population of approximately 96,652. The residents of the city have a median age of 42 years and per median household income is \$96,088 as reported by the Saddleback College 2015 South Orange County Economic Report. The median home value in Mission Viejo is \$580,000. In 2014 (latest year data is available) the City's three largest employers were Saddleback Community College, Mission Hospital Regional Medical Center, and Saddleback Unified School District. Additional, detailed information can be found in the tables on the following page.

PARKS AND RECREATIONAL FACILITIES

Mission Viejo is known for its recreational facilities and overall sports orientation. The City was the site of the 1984 Olympic long-distance cycling competition and is home to the Nadadores swim and dive team. Mission Viejo was also the training site for the 1994 World Cup USA men's soccer team. In 2013 Mission Viejo was the first location in the United States to host the International Tennis Federation Wheelchair Masters. Mission Viejo will participate as a Host Town for the 2015 Special Olympics World Games.

There are forty two parks in Mission Viejo, including Wilderness Glen, an 83-acre area with large sycamore and oak trees, Lake Mission Viejo, a 124-acre manmade recreational lake, the Oso Creek Trail, the newly renovated universally designed and interactive Pavion Park, and La Paws dog park.

Recreational facilities include three recreation and fitness centers, two tennis facilities, and an aquatics center. Community centers include the Melinda Heritage House and the Norman P. Murray Community and Senior Center.



CITY OF MISSION VIEJO
Community at a Glance
and Selected Demographic Statistics



POPULATION*	96,652		
GENDER*		Number	% of Population
Male	45,566		48.8%
Female	47,739		51.2%
RACE*			
White	64,276		68.74%
Hispanic	15,877		16.98%
Asian and Pacific Islander	8,312		8.89%
African American	1,129		1.21%
All Other	3,711		3.97%
AGE*			
Under 5 Years	4,613		4.9%
Under 18 years	21,270		22.8%
21 Years and Older	68,282		73.2%
55 Years and Older	25,887		27.7%
60 Years and Older	19,347		20.7%
65 Years and Older	13,532		14.5%
MEDIAN AGE*	42		

AREA IN SQUARE MILES	17.4
PARKS & COMMUNITY CENTERS	
Number of Parks	42
Acres of Parks/Open Space/Medians/Slopes	1,128
Recreation and Community Centers	9
Baseball/Softball fields	19
Soccer/Football fields	35
LAND USE**	
Residential	60%
Recreation/Open Space	18%
Community Facility	6%
Commercial/Office	5%
Industrial	2%
Transportation Corridors	9%
HOUSING DATA	
Median Home Price	\$ 580,000
Total Number Housing Units	\$ 34,254
Median Household Income***	\$ 96,088
Assessed Valuation^ (FY 2013/14)	\$13.639 billion

POLICE SERVICES (Orange County Sheriff Department)

Sworn personnel	58
Non-sworn personnel	9
Patrol Units	24
Number service calls	26,550

FIRE SERVICES (Orange County Fire Authority)

Stations	3
Commissioned personnel	51
Volunteer personnel	0
Number of Incidents (2013)	6,805

EMPLOYMENT^^

Total Labor Force in Mission Viejo	50,400
Total Employed	48,300
Total Unemployed	2,100
Unemployment Rate	4.1%

MAJOR EMPLOYERS^^^

Mission Hospital Regional Medical Center	2,443
Saddleback College	1,975
Saddleback Valley Unified School District	1,502
Capistrano Unified School District	441
Nordstrom	400

SCHOOLS

Elementary	13
Secondary	7
Community College	1

TOP 5 PRINCIPAL PROPERTY TAX PAYERS 2014^^^

Mission Hospital Regional Medical Center	\$131,173,116
Mission Viejo Associates	\$109,909,606
Mission Viejo Medical LLC	\$ 88,839,079
Essex Madrid LP	\$ 64,02,695
EQR-Del Lago Vistas Inc.	\$ 62,694,822

*Data from State of California, Department of Finance, January 1, 2015. California State Data Center, 2010 Census Data

** City of Mission Viejo General Plan, August 19, 2013

*** Saddleback College 2015 South Orange County Economic Report

^County of Orange, Auditor-Controller, Property Tax Accounting

^^State of California, Employment Development Department, Labor Market Information, March 2015, Preliminary

^^^Information from City of Mission Viejo Comprehensive Annual Financial Report (CAFR), 06/30/2014



CITY OF MISSION VIEJO
Community at a Glance
and Selected Demographic Statistics



TOP 25 SALES TAX PRODUCERS

(In alphabetical order)

May 5, 2015

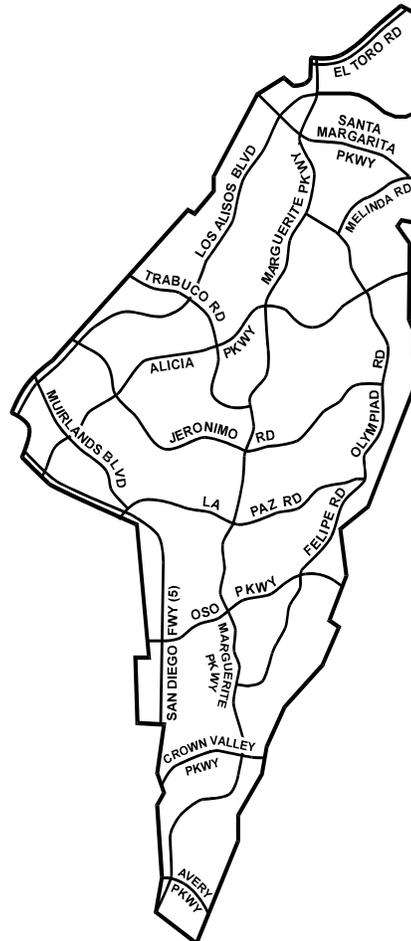
Apple Computer
Arco Alicia Parkway Center
Audi Leasing Bentley Leasing
Audi Mission Viejo
Bed Bath & Beyond
Best Buy
Circle K
Home Depot
Infiniti of Mission Viejo
Jaguar Land Rover Mission Viejo
Js Arco
Macys
Nordstrom
Norm Reeves Acura
Ralphs
South County Lexus
Target
Tesla Motors
Tesoro
TJ Maxx
Toyota Lease Trust
Toys R Us
Victoria's Secret
Vons
Williams Sonoma

**% of Total Sales Tax Revenue
Generated by Top 5 Producers**

21%



CITY OF MISSION VIEJO
Community at a Glance
and Selected Demographic Statistics



City of Mission Viejo



City of Mission Viejo

COUNCIL POLICY



SUBJECT	RES. NO.	POLICY NO.	EFF. DATE	PAGE
MANAGEMENT AND BUDGET POLICIES	92-124 04-91 05-100 06-57 07-54 08-09 12-24 13-53	0300-8	7/31/92 7/6/04 (revised) 8/15/05 (revised) 8/21/06 (revised) 10/1/07 (revised) 2/4/08 (revised) 5/7/12 (revised) 9/16/13 (revised)	1 of 12

PURPOSE

The purpose of this policy is to set forth the financial policies upon which the development of the City's budget is to be based. Except as otherwise noted, the following policies will be reviewed every two years during the preparation of the City's biennial budget; recommended changes will be presented to the City Council for consideration with the adoption of the City's biennial budget.

1. REVENUE

A. The City will endeavor to maintain a diversified and stable revenue base to minimize the effects of economic fluctuations on revenue generation.

B. The City will estimate revenue using an objective, analytical process; in the case of assumption uncertainty, conservative projections will be utilized.

C. The City will fund all current expenditures from current revenues, avoiding procedures that balance current budgets by postponing needed expenditures, accruing future revenues, or rolling over short-term debt.

D. Development process costs and related administrative expenses will be totally offset by development fees.

E. The City will identify basic tax-provided services and will establish user fees and charges for services provided in excess of basic services and/or to non-taxpaying users.

F. The Administrative Services Director will provide to the City Council quarterly reports that discuss revenue projections in light of actual collections to date. Revised revenue projections will be budgeted every six months.

G. On an ongoing basis, non-recurring revenues and fund balances will not be used to fund recurring expenditures, and regarding interest earnings, only interest generated from minimum General Fund fund balance amounts, as specified by Council policy, will be used for recurring expenditures. Each two-year budget will be evaluated for compliance with this policy. Necessary changes to these policies to achieve compliance will be evaluated at the time of each Master Financial Plan update.

City of Mission Viejo

COUNCIL POLICY



SUBJECT	RES. NO.	POLICY NO.	EFF. DATE	PAGE
MANAGEMENT AND BUDGET POLICIES	92-124	0300-8	7/31/92	2 of 12
	04-91		7/6/04 (revised)	
	05-100		8/15/05 (revised)	
	06-57		8/21/06 (revised)	
	07-54		10/1/07 (revised)	
	08-09		2/4/08 (revised)	
	12-24		5/7/12 (revised)	
	13-53		9/16/13 (revised)	

H. Gas Tax revenues, except those resulting from the Orange County Transportation Authority (OCTA) Fund exchange agreement, will be allocated between the operating and capital budget on a flexible, two-year basis. Capital projects will be funded first, and any remaining balance, less the replenishment of the minimum Gas Tax reserve, will be available to fund street-related operating costs.

2. RESERVES

It is essential that governments maintain adequate levels of fund balance to mitigate current and future risks (e.g. revenue shortfalls and unanticipated expenditures) and to support long-term financial plans. The purpose of this reserves policy is to establish the reserve levels for various City funds. The policy covers the General Fund Group (which includes the General Fund, Computer/Equipment/Furnishings/Vehicle (CEFV) Replacement Fund and the Facility Rehabilitation/Replacement (FR&R) Fund), Library Fund and the Gas Tax Fund. The General Fund Group includes the CEFV and FR&R Replacement Funds since the resources maintained in these funds originated from the General Fund.

For the General Fund Group, unless the fund balances are non-spendable or restricted, fund balances are considered to be unrestricted and available for use at the discretion of the City Council. Under GASB Statement 54 - Fund Balance Reporting and Governmental Fund Type Definitions, unrestricted fund balances may be categorized as committed, assigned and unassigned. For the Library and Gas Tax Fund, since the resources in these funds is limited as to use by external enforceable limitations (e.g. enabling legislation) fund balances in these funds will be categorized as restricted.

Unrestricted fund balances may be categorized as committed, assigned and unassigned within the General Fund Group. To be categorized as *Committed*, amounts can be used only for the specific purposes determined by the highest formal action of the City Council (adoption of ordinance). The City Council has the authority to establish, modify, or rescind a fund balance commitment.

To be categorized as *Assigned*, amounts are categorized to reflect the City's intended use of those resources. Such intent is to be established by the City Council; however, the City Council may designate the authority to another body or official.

All fund balance resources that cannot be properly classified into the non-spendable, restricted, committed or assigned category will be categorized as *Unassigned*.

City of Mission Viejo

COUNCIL POLICY



SUBJECT	RES. NO.	POLICY NO.	EFF. DATE	PAGE
MANAGEMENT AND BUDGET POLICIES	92-124	0300-8	7/31/92	3 of 12
	04-91		7/6/04 (revised)	
	05-100		8/15/05 (revised)	
	06-57		8/21/06 (revised)	
	07-54		10/1/07 (revised)	
	08-09		2/4/08 (revised)	
	12-24		5/7/12 (revised)	
	13-53		9/16/13 (revised)	

A. General Fund Group

The City Council may Assign unrestricted fund balances in the General Fund, CEFV Fund and FR&R Fund for two primary purposes: (1) to ensure the continued orderly operation of City government, while maintaining the stability of tax and fee structures in the event of unforeseen occurrences or emergencies outside of the City’s control; and (2) to allow for the setting aside of funds for particular purposes that will be spent in the future.

1. A Contingency Reserve in the General Fund to address unforeseen occurrences or emergencies will be maintained at a level of 15% of General Fund revenues. Unforeseen occurrences or emergencies may include uncertainties related to local economic downturns, State and/or Federal actions affecting local revenues, uninsured losses, errors in actuarial liability estimates and other financial risks outside the control of the City. The level of this reserve will be re-evaluated every two years.

2. The CEFV Replacement Fund shall be maintained as a separate fund for budgetary purposes, to provide a source of funding for the replacement of existing office equipment, vehicles, computers and office furnishings when these assets reach the end of their useful lives and there are no other funding sources available. This fund will be combined into the General Fund on the City’s audited financial statements and the total balance in this fund will be categorized as **assigned**. There is no minimum balance required in this fund; however, all transfers to this fund will be directed by the City Council.

3. The FR&R Replacement Fund shall be maintained as a separate fund for budgetary purposes to provide a source of funding for the rehabilitation or replacement of existing City buildings, recreational facilities, and parks/sport fields fixtures when these assets reach the end of their useful lives and there are no other funding sources available. Rehabilitation and replacement costs may include design and construction administration costs related to the projects. This fund will be combined into the General Fund on the City’s audited financial statements and the total fund balance in this fund will be categorized as **assigned**. There is no minimum balance required in this fund; however, all transfers to this fund will be directed by the City Council.

4. Computer Software Replacement Reserve – The City Council may assign portions of General Fund unrestricted fund balance to accumulate resources for funding the replacement of major software programs. The funding level of the reserve will take into account the estimated costs of replacement programs as well as the probabilities of the programs having to be replaced. The level of the reserve will be re-evaluated every two years.

City of Mission Viejo COUNCIL POLICY



SUBJECT	RES. NO.	POLICY NO.	EFF. DATE	PAGE
MANAGEMENT AND BUDGET POLICIES	92-124	0300-8	7/31/92	4 of 12
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	05-100		8/15/05 (revised)	
	06-57		8/21/06 (revised)	
	07-54		10/1/07 (revised)	
	08-09		2/4/08 (revised)	
	12-24		5/7/12 (revised)	
	13-53		9/16/13 (revised)	

5. Capital Projects Reserve – The City Council may assign portions of General Fund unrestricted fund balance to fund capital projects and other expenditures that were not anticipated in the biennial budget process or could not be entirely financed from current revenues.

6. The City Council will direct staff to determine the amount of outstanding contract and purchase order commitments at the end of every fiscal year and assign these balances as Encumbrances in the financial records and on the annual audited financial statements.

7. The City Council will direct staff to determine the amount of continuing appropriations at the end of every fiscal year and assign these balances as Unencumbered Carryover Appropriations in the financial records and on the annual audited financial statements.

The assigned reserves identified in items 1, 2, 3, 4 and 5 and any unassigned fund balances in the General Fund will be included in the City Council’s **Discretionary Reserve** total. Discretionary Reserves will be maintained at a minimum of no less than 40%, with a maximum target level of 50% of annual General Fund Group revenues.

Funding levels of all General Fund Group reserves will be reviewed during periods of economic stagnation to avoid reductions in operating service levels. To the extent that resources are insufficient in the Contingency Reserve to adequately address the unforeseen occurrence or emergency, the expenditure budget should be reduced or the revenue budget increased to fund an unanticipated need. The Capital Projects Reserve may be utilized next, if there are no viable means of reducing the expenditure budget or increasing the revenue budget. If the Capital Projects Reserve is depleted, all other reserve accounts may be utilized to address the unforeseen occurrence or emergency.

B. Library Fund

A minimum fund balance of 10% of estimated Library Fund revenues for the current year will be set aside as a reserve for unanticipated economic downturns and/or one-time expenditures.

C. Gas Tax Fund

A minimum fund balance of 30% of estimated Gas Tax revenues for the current year will be set aside as a reserve for street repair emergencies and other unanticipated traffic safety projects.

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3. CASH MANAGEMENT

A. Investments and cash management will be the responsibility of the City Treasurer.

B. In accordance with Section 53646 of the Government Code, the City Council will review and update annually, a specific investment policy. The primary purpose of this policy is to set forth the City's investment philosophy and objectives. The City's investment objectives are, in order of priority: 1) safety, 2) compliance with Federal, State and local laws, 3) liquidity, and 4) yield. The policy also specifically outlines authorized investments, the acceptable percentages and maximum maturities allowed for each investment instrument and the criteria used to determine qualified depositories/dealers.

C. The City invests all idle cash as determined by analysis of anticipated cash flow needs. Specific emphasis will be placed on future cash requirements when selecting maturity dates to avoid forced liquidations and the potential corresponding loss of investment earnings.

D. In order to maximize yields from the overall portfolio, the City will consolidate cash balances from all funds for investment purposes, and will allocate investment earnings to each fund, including the Computer, Equipment, Furnishings, and Vehicle Replacement Fund and the Facility Rehabilitation/Replacement Fund, in accordance with generally accepted accounting principles.

E. The City will maintain the investment portfolio under the prudent person standard. The investment officer, acting in accordance with written procedures and the investment policy and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported within 30 days and appropriate action is taken to control adverse developments. The Prudent Person Standard is as follows: Investments shall be made with judgment and care -- under circumstances then prevailing -- which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

F. To protect against potential losses by collapse of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all securities owned by the City will be held in safekeeping by a third party bank trust department, acting as the City's agent.

G. The City Treasurer will generate a monthly report to the City Manager and City Council in conformance with all State laws and City investment policy requirements.

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H. The City's independent auditors, in conjunction with their annual audit, will audit the cash and investment balances in conformance with generally accepted accounting principles. In addition, the Treasurer shall establish an annual process of independent review by an external auditor to assure compliance with internal controls. The City Council may at any time order an audit of the investment portfolio and/or City Treasurer's investment practices.

I. An Investment Advisory Commission (IAC) will oversee the implementation of the City's investment program, assuring its consistency with the investment policy and recommending changes to the investment policy for consideration by the City Council.

4. CAPITAL FINANCING AND DEBT MANAGEMENT

A. Capital budgeting will be consistent with the City's Master Financial Plan (MFP) and Capital Improvement Plan (CIP) which have been developed to assure the provision of adequate and complete physical facilities necessary to implement the City's General Plan and all of its components.

B. Capital projects may be funded on a pay-as-you-go basis or using debt proceeds. Capital budgeting is limited by the availability of revenues and bond proceeds. The ability to meet debt service requirements will act as a ceiling on capital programming. Because capital expenditures produce long-term benefits, they can appropriately be funded by debt. The issuance of debt can lead to a more equitable tax burden across generations of citizens and taxpayers. However, pay-as-you-go financing provides operating flexibility when the economy or revenue growth slows. Therefore, it is best that there be a balance between pay-as-you-go financing and debt financing for capital projects.

C. The City recognizes the value of external sources of capital and incorporates these into the CIP to the degree funding is available. The availability of alternative sources of funding will always be examined.

D. When the City finances capital projects by issuing bonds, it will pay back the bonds within a period not to exceed the expected useful life of the project.

E. The City will not use long-term debt financing for any recurring purpose such as current operating and maintenance expenditures. Short-term debt instruments such as revenue, tax, or bond anticipation notes shall be excluded from this limitation.

F. It is critical that outstanding debt be kept at a level that is appropriate for the City's resources. To accomplish this goal, certain industry-standard measures of debt burden will be monitored regularly. The

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following measurements will be monitored by staff, as part of the MFP biennial update or by other means: debt service on General Fund supported debt as a percent of General Fund operating expenditures; debt service on General Fund supported debt as a percent of General Fund revenues; unreserved General Fund fund balance as a percent of General Fund operating expenditures; unreserved General Fund fund balance as a percent of General Fund revenues; debt service coverage on lease revenue bonds that are secured by specific revenue sources; gross direct debt; net direct debt; net overlapping debt; gross direct, net direct, and net overlapping debt per capita; net direct debt as a percent of per capital personal income; and net direct debt as a percent of assessed valuation. These measures will be examined for the City and for other comparable cities. Trends in these measures will be reported to the City Council. In addition, prior to the issuance of long-term debt, staff will review these measurements as well as current economic conditions including local unemployment rates, per capita and median family income trends and federal, state and county economic forecasts. Staff will analyze the impact of any potential debt on current and future budgets for debt service and operations. This analysis will also address the reliability of revenues to support debt service.

- G. The City will generally conduct debt financing on a competitive basis. However, negotiated issues may be used due to market volatility or the use of an unusual or complex financing or security structure.
- H. The City will diligently monitor its compliance with bond covenants and ensure its adherence to federal arbitrage regulations.
- I. The City will provide full disclosure on every financial report and bond prospectus and will strive to maintain the best possible bond rating on all debt issuances.

5. OPERATING BUDGET

- A. The City of Mission Viejo's Operating Budget will be developed on a biennial basis. Appropriations for each year of the two-year budget will be approved by the City Council annually.
- B. The City of Mission Viejo's Two-Year Operating Budget will be presented in a program budget format. The purpose of this format is to clearly outline the major service areas and the associated expenditures.
- C. The City's Budget Document will include selected performance measures to better describe the workload of the different City programs, to gauge our effectiveness in providing services, and to ultimately be able to compare the City's overall performance with other like agencies.

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D. The City will avoid budgetary and accounting procedures that balance the current budget at the expense of future budgets. Each adopted two-year budget will be balanced. Recurring General Fund revenues will be equal to or greater than recurring General Fund operating expenditures for each year of the two-year budget, and over the long term. It shall also be a goal to fund the required transfers to the City's two asset replacement reserve funds (CEFV Replacement Fund and Facility Rehabilitation and Replacement Fund) from recurring revenues.

E. All budgetary procedures will conform to state regulations and generally accepted accounting principles.

F. Three levels of budgetary authority to amend appropriations will be maintained. 1) Department Heads will have the flexibility to move appropriations from one object to another within the budget categories of personnel costs, operating costs and capital outlay, within each budgetary program within the same fund; 2) the City Manager will have the authority to transfer appropriations between categories, and between budgetary programs within the same fund, but only within each of the five broad program areas of General Government (Legislative and Management & Support combined), Public Safety, Community Development, Engineering & Transportation and Infrastructure Maintenance combined, and Recreation, Community and Library Services; and 3) City Council approval will be required to transfer appropriations between funds and between program areas.

G. With Council approval, all non-salary appropriations in the operating budget will be carried over from the first year to the second year of the two-year budget period; however, only encumbered operating budget and all unexpended capital budget appropriations will be recommended to Council for carryover at the end of the two-year budget period.

H. Omnibus budget adjustment reports will be presented to Council every six months.

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6. EMPLOYEE COMPENSATION

A. On an annual or biennial basis, the Human Resources Division will perform a salary and total compensation survey of selected benchmark positions for the group of comparator agencies approved by the City Council. The current approved group of comparator agencies is as follows: Brea, Carlsbad, Costa Mesa, Fullerton, Irvine, Laguna Niguel, Lake Forest, Newport Beach, Orange, Rancho Cucamonga, San Clemente, Tustin, Whittier and Yorba Linda. . The Human Resources Division may use alternate comparator agencies for benchmark positions in Information Technology, Animal Services, and Library Services. The California Public Agencies Compensation Survey (CalPACS) will serve as the primary source of information for determining the recommended salary range and total compensation level for each of the City’s authorized position titles.

B. The policy of the City is to compensate its employees on a total compensation basis at a level comparable to the median plus five percent of the group of approved comparator agencies, with salary levels set at no less than the median salary level of such comparator agencies. For purposes of this policy, total compensation is defined to include salary, retirement, insurances, auto allowances and City-paid deferred compensation, as defined in the most recent citywide classification and compensation study Retiree health insurance benefits are currently not included in total compensation, pending the availability of sufficient data from the comparator agencies for their programs.

C. The City Manager is authorized to develop a salary range structure consistent with this policy. Salary range adjustments will reflect consideration of internal differentials and the relationships among all other authorized City positions.

D. In recognition of the significant change this policy represents from the previous employee compensation policy, an implementation timeframe of up to four years (until January 2010) is authorized to reach the policy goals outlined in B. above.

E. The policy of the City is to carefully control the cost of employee retirement programs. Accordingly, the City’s policy is to require employees to pay a portion of the 8% member contribution toward the 2.7% @ 55 retirement benefit.

F. The policy of the City is to promote and facilitate wellness and wellness programs for its employees. Effective July 1, 1999, the City Council authorizes free membership, with some restrictions as determined by the City Manager, to the City’s Recreation and Tennis Centers for employees and their resident family members.

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G. Health care benefits are important for attracting and retaining competent and dedicated providers of municipal services and providing employer contributions toward the cost of retiree health insurance is a particularly attractive benefit. Effective July 1, 2000, the City Council authorized the City Manager to establish a Retiree Insurances Program available to City employees with at least twelve (12) years of continuous service who simultaneously retire from the City and CalPERS. The escalating cost of health care, however, requires the City to manage this benefit in a fiscally responsible manner. In light of the expected continued growth in the cost of health care premiums, as well as the requirement in FY 2008-09 to implement Governmental Accounting Standards Board (GASB) Statement No. 45 regarding post-employment benefits, the City has established the Supplemental Health Account for Retired Employees (SHARE), a defined contribution program for retiree health insurance benefits for all employees first eligible for City health benefits on or after January 1, 2007. It is the City's policy to conform to all GASB reporting requirements affecting post-employment benefits and to fully fund the actuarially determined annual required contribution (ARC) for the Retiree Insurances Program.

H. With Council approval, the City will utilize the standard mileage rate set by the Internal Revenue Service to reimburse eligible employees for any miles driven in the employees' own vehicles while on City business.

7. CAPITAL IMPROVEMENT PROGRAM

A. The purpose of the Capital Improvement Program is to systematically plan, schedule, and finance capital projects as determined by the City Council. The Capital Improvement Program will include major rehabilitation costs to existing infrastructure and facilities, as well as the cost of new facilities or capital improvements. It is the policy of the City Council that staff inventory and assess the condition of all major capital assets every two years as part of the Master Financial Plan update and budget development processes.

B. A Capital Improvement Project (CIP) shall be established for all projects greater than \$100,000 with an expected useful life of at least three years that meet the definition of a public project per Section 22002 of the State Public Contracts Code. These include projects involving construction, reconstruction, alteration, renovation, improvement, demolition, repair work, and painting (other than minor repainting) of any City-owned, leased or operated facility. This definition excludes maintenance work as defined in Section 22002 of the State Public Contracts Code (for example: routine, recurring and usual work for the preservation or protection of any publicly owned or operated facility; landscape maintenance; minor repainting)

For purposes of this policy, the scope of a proposed CIP may be defined as the work to be undertaken at a single location. However, if work at a specific location would not otherwise meet the cost

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threshold for establishing a separate CIP, and similar work is to take place at other locations(s) during the same fiscal year, then all such similar work shall be defined as one CIP.

C. The City Council shall be notified in advance, via the consent calendar, of all public projects to be undertaken as part of the operating budget that are greater than \$30,000 and less than or equal to \$100,000, and all non-landscape maintenance work (such as concrete/hardscape repairs and creek repairs) greater than \$100,000 at a single location. All other maintenance work is not subject to this notification requirement.

D. As part of the budget process, departments will submit Capital Improvement Program requests providing a detailed description of the proposed project or purchase. All requests will be reviewed by the City Manager using a formal evaluation process. The evaluation system consists of several ranking criteria, which are assigned relative weights as follows:

1. Project's impact on health and safety, weight of 10
2. Project remedies a service deficiency, 8
3. Service area served by the project, 7
4. Percent of project costs to be funded by outside (non-City) resources/funding to be lost if project not done, 7
5. Priority assigned by requesting department, 6
6. Project improves, upgrades or rehabilitates an existing facility, 9
7. Project's impact on the City's operating budget, 8
8. Other considerations, including aesthetics, feasibility, special populations served, conformance to plans (including the General Plan), interjurisdictional effects and community economic effects, 6

Once the evaluation scores are assigned, project priorities will be determined and then presented to City Council for further review. After completing their review, City Council will appropriate funding for the capital improvement plan as part of the two-year budget process.

E. The City Manager will have the authority to transfer up to \$30,000 in appropriations between capital projects within the same fund but only among projects under the responsibility of the same department. All other changes to capital project budgets must be approved by the City Council.

F. With Council approval, unexpended project appropriations will be carried forward as continuing appropriations to future fiscal years, as required to complete the intent of the original budget.

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G. The City will actively pursue grant and other outside funding sources for all capital improvement projects.

8. FIXED ASSETS

A. The “modified approach” to fixed asset infrastructure accounting, as defined by the Governmental Accounting Standards Board in their Statement No. 34, shall be utilized for the City’s street network. This policy will be reevaluated in the event there is a substantial reduction in City revenues from FY 2001-02 levels. The City Council will establish a range of acceptable condition levels for the street network on a biennial basis and the City Manager will set the actual target condition level(s) each year.

9. LONG-RANGE FINANCIAL PLANNING

A. The City will provide an update of the Master Financial Plan (MFP), which projects General Fund revenues and expenditures over a seven-year period, on a biennial basis. The MFP update will serve as the first step in the development of the City’s budget for the subsequent two-year period. The MFP will address long-term financial implications of current and proposed operating and capital budgets, budget policies, cash management and investment policies, programs and assumptions.



City of Mission Viejo
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