

City of Mission Viejo California



Budget & Master Financial Plan
2011 - 2013

ABOUT THE COVER: *Since Matt Heppert and an army of volunteers planted several hundred plants on a portion of the Jeronimo Open Space area in the spring, the fruits of his labor have continued to bloom. In fact, a sea of wild blackberry and wild rose plants are thriving in the "mediation" zone that Matt re-vegetated.*

The young man of Boy Scout Troop 787 completed the work for his Eagle Scout project. The Eagle Scout ranking is the highest in the Boy Scouts of America organization.

Matt and more than 40 volunteers spent about 158 hours on the project - planting, planning and preparing - that benefited the environment and helped to beautify the area.

Featured on the cover are photos from Matt Heppert's spring Eagle Scout project in the Jeronimo Open Space area. Matt, of Boy Scout Troop 787, led more than 40 volunteers to re-vegetate this "mediation" zone.

Cover design by Toni Nuñez, Design and Marketing Specialist for the City.

City of Mission Viejo



2011-13 ADOPTED BUDGET

CITY COUNCIL

Dave Leckness, Mayor
Frank Ury, Mayor Pro Tem
Trish Kelley, Council Member
Rhonda Reardon, Council Member
Cathy Schlicht, 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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GOVERNMENT FINANCE OFFICERS ASSOCIATION

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**City of Mission Viejo
California**

For the Biennium Beginning

July 1, 2009

President

Executive Director

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City of Mission Viejo

Office of the City Manager

Dave Leckness

Mayor

Frank Ury

Mayor Pro Tem

Trish Kelley

Council Member

Rhonda Reardon

Council Member

Cathy Schlicht

Council Member

July 1, 2011

HONORABLE MAYOR AND CITY COUNCIL:

The 2011-13 Budget and Master Financial Plan reflects the budget adopted by the City Council on July 5, 2011. Once again, development and adoption of this budget was framed by the continuing challenge of how to balance ongoing revenues with ongoing expenditures within the context of an economy struggling to emerge from the worst recession in over seventy years.

This adopted 2011-13 budget has both years of the budget balanced without the need to draw down discretionary reserves. In fact, the dollar amounts of both discretionary reserves and total City reserves are proposed to increase slightly during the upcoming two years. We foresee a continuation of the economic recovery, albeit a slow one, and have forecast revenues to grow at a modest pace over the next two years. The adopted budget maintains total discretionary reserves above the City Council's target level of 50% of General Fund group revenues. The percentage is projected to be 52% in FY 2011/12 and 51% in FY 2012/13.

Budget balancing was accomplished through a variety of methods. The elimination of nearly five more full-time equivalent (FTE) staff positions in FY 2011/12 will bring total staff reductions over the past three years to seventeen positions. This reduction in staffing will save the City approximately \$540,000 annually going forward. (The previous reduction of twelve staff positions has saved the City approximately one million dollars annually.) In addition, targeted reductions in operating appropriations were identified through the budget prioritization project and increased cost recovery adjustments to various City fees and charges that the City Council has already adopted were included. Finally, capital asset replacements for the next two years will be limited to the amount of budget surpluses generated each year.

Total adopted revenue estimates across all funds are \$62.1 million for FY 2011/12 and \$65.5 million for FY 2012/13. Total adopted operating appropriations for FY 2011/12 are \$55.1 million and \$55.6 million for FY 2012/13. Due to the focus on cost cutting and containment, discretionary reserves are projected to grow by approximately \$78,600 over the next two years and total fund balance will increase approximately \$102,605 over the same time period (these amounts are based on the adopted budgets).

This adopted budget includes \$6.6 million in capital improvement project appropriations in FY 2011/12 and an additional \$8.8 million for FY 2012/13. These appropriations will be spent on various projects such as residential street resurfacing, Oso Parkway widening, La Paz Road and bridge widening, arterial highway resurfacing and other projects.

The following sections will describe in greater detail the various parts of the 2011-13 adopted budget and the cost containment methods used which allow us to maintain core services to our residents.



Budget Prioritization Project

In an effort to analyze and categorize the City's spending and program priorities, a budget prioritization project was undertaken. This project – which is discussed in greater detail later in the Introduction section of this budget document – helped management and staff create a road map for developing a balanced budget for 2011-13. In addition, this project developed a community oriented results model to provide greater meaning and definition to five of the City Council's current strategic goals:

- Community Building
- Economic Development
- Preserving and Enhancing the Beauty of the Community
- Public Safety and Emergency Preparedness
- Traffic Flow and Infrastructure Improvements

Based on the outcomes of this prioritization project, each department was provided with a budget reduction target amount. As opposed to an across-the-board approach to budget reduction, the budget prioritization project allowed management to more clearly see which programs were critical to the City's mission and strategic goals.

Key Factors in Developing the 2011-13 Budget

The development of the 2011-13 adopted budget was shaped by many factors, including the results of the budget prioritization project and 2011 Community Opinion Survey, the initial update of the City's Master Financial Plan, and a continued focus on reducing expenditures and increasing organizational efficiencies.

Even in this mode of cost containment, the overriding objective in preparing the 2011-13 budget was to continue to provide core municipal services to residents. Indeed, that goal has been accomplished with this budget, in that the police services contract is fully funded and the Library, the Norman P. Murray Community Center, and the recreation and tennis centers will all remain open according to their current hours of operation. Other key programs, such as after school programs, crossing guards, traditional special events, and contributions to various volunteer service providers will continue. In addition, road improvement projects included in the Capital Improvement Program over the next two years will total \$15.2 million.

The 2011-13 Budget:

- *Maintains the City's discretionary reserves above the City Council target level of 50% of annual General Fund revenues*
- *Maintains all core services and other services important to the community*
- *Reduces the FY 2011/12 operating budget by \$1.8 million compared to the FY 2010/11 adopted budget*
- *Controls personnel costs by eliminating approximately eight positions over the next two years*
- *Includes \$15.2 million in capital improvements*

In order to continue providing for these services, focused cuts were made among various programs and categories of operating expenses. As described in the previous section, the budget prioritization project helped departments better identify programs which could be reduced or eliminated without sacrificing core services. The FY 2011/12 adopted operating budget is \$1.8 million lower than the FY 2010/11 adopted budget. In the personnel area, 4.75 full-time equivalent (FTE) positions will be eliminated in FY

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2011/12 with an additional 3.0-4.0 FTE reduction in FY 2012/13. In addition, employees will pay a greater share of their retirement costs beginning in January, 2012 and new hires will be part of a lower, second tier retirement program (which became effective in July, 2011).

Other cuts included reducing the hours of temporary employees, cutting back on the amount budgeted for training and education across various departments, reducing Planning and Transportation Commission meetings from twice per month to once per month, and reducing certain outside consulting services. Spending for legal services has been budgeted to the minimum needed for general retainer and other non-litigation work. Any additional litigation costs will be appropriated from reserves on an as-needed basis.

As the previous fiscal year is closed out, current projections show revenues tracking ahead of budgeted amounts and we expect final year-end numbers to show a surplus of revenues above the FY 2010/11 adopted budget. It is our intent to utilize these year-end budget savings for the replacement of assets such as computers, vehicles, and recreational and fitness equipment.

Master Financial Plan (MFP)

The City's long-range Master Financial Plan (MFP) was updated by staff in January, 2011 and used to guide development of the 2011-13 budget. The MFP contains a seven-year General Fund revenue forecast and expenditure plan which projects revenues, operating expenditures, capital projects, and reserve requirements for the General Fund. In an effort to provide a clearer picture of the City's long-term revenue and expenditure projections, a new emphasis was placed on analyzing "one-time" revenue and expenditure items. Separating one-time from ongoing revenue helps avoid falling into the trap of budgeting to unsustainable levels of revenue.

The version of the MFP contained in the adopted budget presents an approach for returning to positive fund balance growth, after several years of needing to dip into reserves.

Revenues

Total revenues are projected to be \$62.1 million for FY 2011/12 and \$65.5 million for FY 2012/13. Following three consecutive years of falling revenue, FY 2011/12 represents a modest 2.3% increase over FY 2010/11 total budgeted revenue. As the economy overall continues to improve, total FY 2012/13 revenues are projected to increase 5.4% over FY 2011/12. General Fund revenue is projected to grow 3.0% in FY 2011/12 and an additional 1.3% in FY 2012/13.

The City receives revenue from several sources: property and sales tax, development permits and licenses, vehicle license fees (VLF), parking and vehicle violations, grants, franchise fees, rental income, and many other items. The two largest sources of revenue are property and sales tax, comprising over 60% of total revenue to be received by the City over the next two years.

Property tax is projected to grow a modest 1.4% and 1.2% in FY 2011/12 and FY 2012/13, respectively. Total General Fund property tax for 2011-13 is projected to be \$47.8 million, representing approximately 50% of General Fund revenue. As the local real estate market struggles to emerge from the effects of the bursting of the housing bubble, property tax revenue will continue to see relatively modest growth in coming years. While these increases are far from the double-digit growth of five or six years ago, they do seem to be more sustainable.

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The other major source of revenue is sales and use tax. This revenue category is projected to be \$28.2 million for 2011-13. Sales and use tax comprises approximately 29% of General Fund revenue, and 23% of total revenue. This source of revenue has declined considerably since the pre-recession highs of 2007 and earlier. It does appear that local retail activity is picking up and that 2011-13 projections – while still relatively conservative – are providing a much rosier picture than prior years.

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

Expenditures

Total operating and capital appropriations across all funds are projected to be \$61.7 million in FY 2011/12 and \$64.4 million in FY 2012/13. The adopted FY 2011/12 total operating budget is \$55.1 million and capital projects are \$6.6 million. In FY 2011/12, total operating costs are budgeted at \$55.6 million, and capital projects, \$8.8 million.

As noted above, a continued focus on cost cutting in order to balance the budget and maintain reserves resulted in the adopted FY 2011/12 operating budget being reduced by \$1.8 million, or 3.2%, when compared to the FY 2010/11 adopted budget. For FY 2012/13, the adopted operating budget will remain essentially flat (a 0.8% increase over FY 2011/12).

The City of Mission Viejo budget is a “program budget.” That is, expenditures are grouped into programs based on the type of service provided, and programs are in turn grouped into seven distinct program areas for presentation and analysis. For 2011-13, reductions and changes were made in all program areas, touching all of the City’s individual departments and most of the individual programs in each department. Of the seven program areas, five will see reductions in FY 2011/12.

In keeping with the strategic priorities of a safe, clean and attractive environment, the Public Safety and Infrastructure Maintenance program areas remain the two largest segments of the City’s budget. These two program areas combined comprise 58% of the budget. Public Safety is 33% of the budget, with Infrastructure Maintenance accounting for 25% of the adopted budget.

Through the diligent cost maintenance efforts of our police services partner, the Orange County Sheriff’s Department (OCSD), the Public Safety program area budget is only increasing 0.1% in FY 2011/12 over FY 2010/11 and 1.8% in FY 2012/13 over FY 2011/12. These relatively modest increases were achieved through management of overtime and other cost reductions.

The only other program area which will see an increase from FY 2010/11 to FY 2011/12 is Community Development. The increase of 9.0% is due to the shifting of one staff position and related operating costs of the Economic Development program to Community Development from the City Manager’s Office. There is a concomitant decrease of 9.3% in the General Government – Management and Support program area in the adopted FY 2011/12 budget.

In FY 2012/13, four of the seven program areas will see increases. The largest increase (4.2%) is in the General Government – Legislative program area. This increase is due to the every-other year budgeting of a municipal election in the City Clerk department. There is \$68,000 budgeted for the November, 2012 election.

Other areas that are seeing an increase in FY 2012/13 are Public Safety, Infrastructure Maintenance and Recreation, Community and Library Services. The Public Safety increase of 1.8% in FY 2012/13

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is primarily from anticipated changes to OCSD employee costs. There is a modest increase of 0.6% in Infrastructure Maintenance due to projected contract cost increases. The 0.8% increase in Recreation, Community and Library Services is primarily due to a scheduled \$150,000 radio frequency identification (RFID) project in the Library and Cultural Services Department.

Staffing

Overall, personnel expenditures are declining by over \$400,000, or 2.6%, from FY 2010/11 to FY 2011/12; with an additional 1.6% decrease in FY 2012/13. These lower personnel costs are primarily due to the elimination of 4.75 FTE in FY 2011/12 and another 3.0 to 4.0 FTE in FY 2012/13. In addition to these staffing reductions, there will be changes to position classifications which will help with further cost savings. The budget includes the net cost of employee compensation adjustments for FY 2011/12 approved by the City Council on May 16, but as in the past two years, there are no funds for merit increases included in the budget.

The net reduction of 4.75 FTE positions in FY 2011/12 will be accomplished through a combination of eliminating vacant positions and re-organizing operations to capitalize on staff retirements.

The following positions will be eliminated in the current fiscal year:

Department	Position	FTE
City Manager	Department Assistant (Receptionist)	1.00
Administrative Services	To Be Determined *	1.00
Recreation and Community Services	Sr. Management Analyst	0.75
Public Services	Management Analyst	1.00
Public Works	Traffic/Transportation Engineer**	1.00
TOTAL		4.75

**It is anticipated that a re-organization of the Administrative Services Department will result in one position – not yet identified – being eliminated in FY 2011/12.*

***The incumbent Traffic/Transportation Engineer will under fill the vacant Transportation Manager position.*

In addition, the Deputy City Manager position in the City Manager’s Office has been reclassified to an Economic Development Manager position and moved to the Community Development Department (along with the entire Economic Development program). Adjustments to the classifications of two other current positions are reflected in this adopted budget. These adjustments come as a result of the transfer of Economic Development as well as cable television program responsibility from the City Manager’s Office to the Community Development and City Clerk departments, respectively. With the retirement of the Assistant City Manager/Director of Administrative Services at the end of FY 2010/11, I have returned that position to the level of Director of Administrative Services/City Treasurer. In addition, the current Director of Public Services has been elevated to Assistant City Manager/Director of Public Services.

For FY 2012/13, it is anticipated that an additional 3.0 to 4.0 FTE will be reduced citywide. The specific positions have not been identified at this point in time. However, there is \$400,000 in anticipated salary savings from expected vacancies due to retirements or other changes included in the adopted FY 2012/13 budget.

Recent action by the City Council to continue reducing the City’s retirement costs took the form of increasing the share of retirement costs that employees pay and the creation of a second tier retirement program. Beginning January, 2012, employees will take on an additional 1.25% of the cost of

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retirement benefits, for a total of 4.25% that employees will pay. With approval of the second tier retirement program, new hires will receive a lower, but adequate, retirement benefit and the City's costs will be reduced over time.

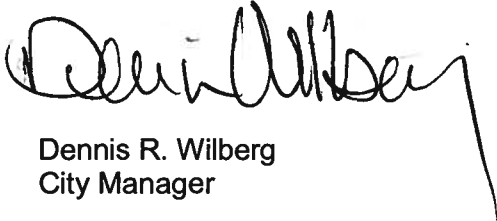
Conclusion

The next two years will continue to pose many challenges for the City, given the uncertain and uneven economic recovery facing the nation and the continued troubles the State is having with balancing their budget. Staff will continue to closely monitor economic news and actions in Sacramento so that we can take appropriate action in a timely fashion to respond to changing economic conditions and to keep our own budget in balance.

I wish to take this opportunity to thank Assistant City Manager/Director of Administrative Services Irwin Bornstein for his work on this, his last budget for the City, retiring after more than thirty years of dedicated public service, with more than twenty of those years spent helping Mission Viejo become a well-run and fiscally sound municipality. I want to thank Budget and Research Manager Michael Solorza and the entire Administrative Services Department staff for their top-quality work in preparing this adopted budget.

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 black ink, appearing to read "Dennis R. Wilberg". The signature is fluid and cursive, with a long, thin tail extending downwards and to the right.

Dennis R. Wilberg
City Manager



CITY OF MISSION VIEJO *2011-13 Adopted 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, a discussion of strategic goals and the priority based budgeting project 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 2011/12 and FY 2012/13.

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 2011-13 budget cycle.

OPERATING BUDGET

The Operating Budget section contains the objectives and resource allocation plans 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

The beginning of each program area provides the following information: a program area description, a breakdown of full-time equivalent (FTE) staffing by program, and detailed budget information over a five-year period.

Each program within the program area is then described, as are its major objectives, selected performance measures, and budget appropriations, which are itemized by personnel, services and supplies, and capital outlay costs.

In addition, there is summary information showing appropriations by program area and fund, a detailed appropriation schedule with historical expenditure information by program and fund, and a FTE summary schedule indicating the number of staff by program area and department.



CITY OF MISSION VIEJO
2011-13 Adopted Budget Readers' Guide



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 includes a map highlighting the location of the capital projects and a detailed matrix showing the individual capital projects by funding source. Following this information are individual project worksheets which present detailed information on the specific capital project, its funding source and other pertinent information.

In addition, the CIP section includes a discussion of the impact of the CIP on the operating budget, and project photos, where available.

MASTER FINANCIAL PLAN (MFP)

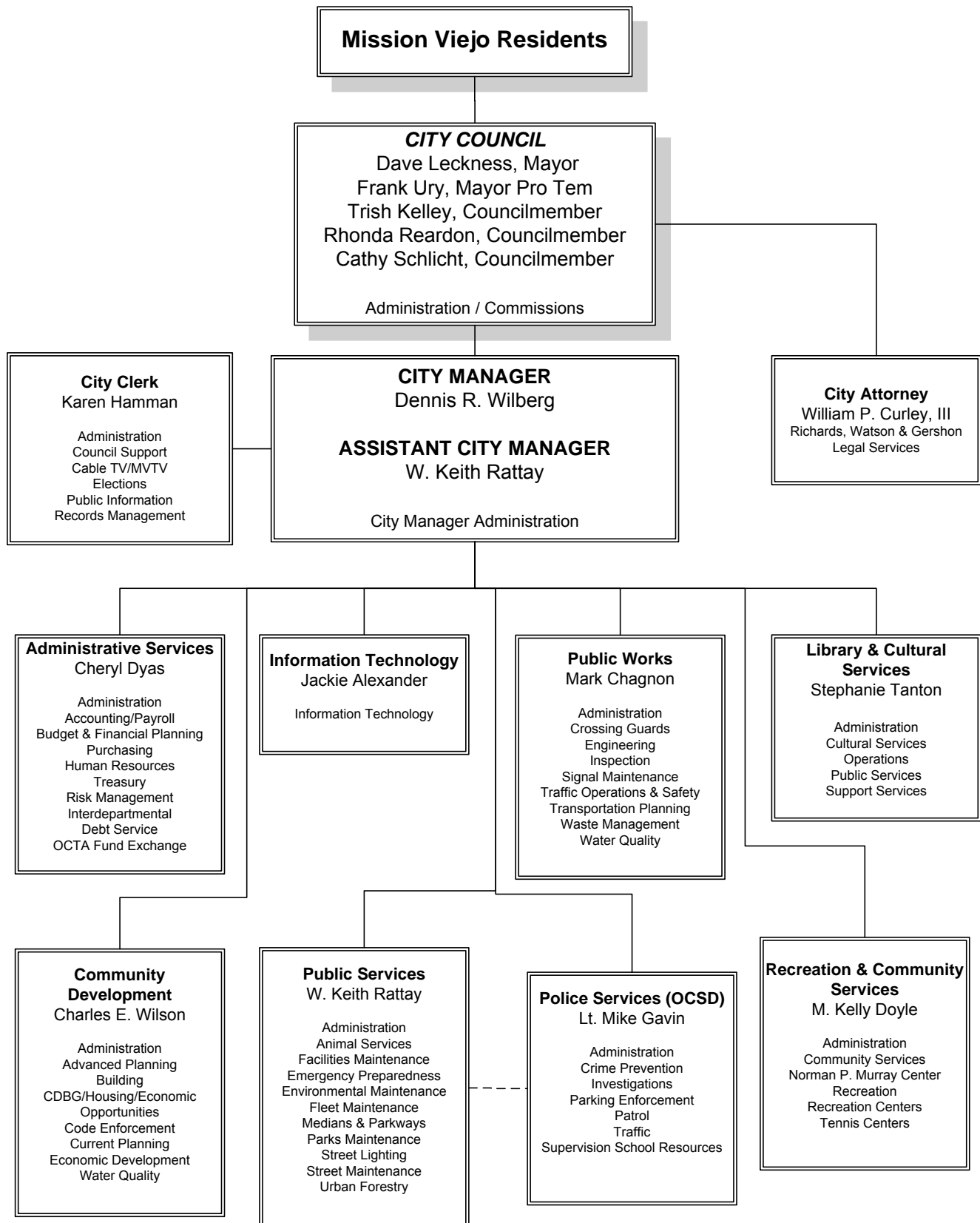
This section includes a summary of the most recent update of the City's seven-year Master Financial Plan (MFP). The MFP serves as a long-range planning tool which allows the City Council, executive management and residents to see a high-level presentation of General Fund revenue vs. expenditures. This 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
2011-13 Citywide Organizational Chart



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CITY OF MISSION VIEJO

2011-13 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 the community. We recognize that the people who live and work in our community are our greatest asset, they make the difference.

Vision for 2013

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:**
 - Value 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:**
 - Demonstrate respect for the opinions and decisions of others
 - Practice humility and cooperation
 - Be willing to compromise and ready to help
 - Remember that we all work for the same organization
- **Innovation:**
 - Encourage and reward creative thinking
 - Seek better ways to do the job
 - Turn problems into opportunities
- **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 and Budget Prioritization Project Overview*



Mission Viejo City staff participated in the International City/County Management Association (ICMA)-sponsored Priority Based Budgeting (PBB) process over a six-month period from August 2010 to February 2011 as a tool to help develop a balanced 2011-13 two-year budget. The goal in developing the 2011-13 budget was to avoid having to draw down discretionary reserves to balance the budget, and given that the 2009-11 budget incorporated roughly a \$1.5 million annual draw down of discretionary reserves, the need to make a significant reduction in the City's adopted budget for 2011-13 was anticipated.

The PBB process, used by a number of agencies around the country, is designed to better align an agency's budget resource allocation decisions with community values and the agency's strategic goals. The underlying premise of the approach is that across-the-board cuts that are often used in governmental agencies to achieve budget balance, are not the best approach since they put equal importance on all budget expenditures when, in fact, some activities contribute more to achieving the strategic goals of the organization than do other activities.

The process involves clarifying the strategic goals of the organization and defining in greater detail all the activities undertaken by the organization. Then, each activity is scored by the responsible department based on its contribution toward achieving one or more of the organization's strategic goals. This is followed by a peer review/quality control process in which staff members from other departments review the work of the scoring departments. Community input is obtained to determine the relative weights to be assigned each of the strategic goals. Then final scores are determined for each activity and all activities are arrayed in four quartiles based on their scores. Activities falling in the lower quartiles are then viewed as candidates for budget reductions, although flexibility is typically given to operating departments to propose alternate methods of achieving the needed budget reductions.

Mission Viejo established its most recent set of strategic goals in December, 2008. Five of the six current strategic goals were the focus of the project. (The sixth goal – Improving Public Relations and Communication – was addressed during activity scoring.)

- Community Building
- Economic Development
- Preserving and Enhancing the Beauty of the Community
- Public Safety and Emergency Preparedness
- Traffic Flow and Infrastructure Improvements

As part of this project, each of these five goals was then further defined, to provide guidance for the activity scoring process. In addition, a "governance" goal was defined against which activities of the City's internal service departments (City Clerk, Information Technology, Administrative Services, etc.) could be evaluated. See Exhibit 1 for the definitions that staff developed for these goals.

City staff reviewed all of the City's existing budget programs and broke them down into 284 individual activities and services. As indicated above, departments responsible for delivering the service or conducting the activity assigned the initial score, followed by an independent peer review team's review for consistency. A Community Opinion Survey was conducted in February, 2011 and included a question that asked residents how they would score on a scale of 1-10 the importance of each of the five strategic goals. The average score from the survey for each goal (see Exhibit 2) was converted to a weight that flowed into the final scores for each activity. Exhibit 3 depicts the results of the project in terms of the City's FY 2010/11 Budget. The four bars depict the four quartiles of scores, with Quartile 1 representing



Exhibit 1
Strategic Priority Definitions

<p align="center">Community Building</p> <ul style="list-style-type: none"> ❖ 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 	<p align="center">Economic Development</p> <ul style="list-style-type: none"> ❖ 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
<p align="center">Preserving & Enhancing the Beauty of the Community</p> <ul style="list-style-type: none"> ❖ 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 	<p align="center">Public Safety & Emergency Preparedness</p> <ul style="list-style-type: none"> ❖ 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
<p align="center">Traffic Flow & Infrastructure Improvements</p> <ul style="list-style-type: none"> ❖ 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 	<p align="center">Governance</p> <ul style="list-style-type: none"> ❖ 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



CITY OF MISSION VIEJO
Strategic Goals and Budget Prioritization Project Overview



the cost of programs that contribute the most toward the achievement of the City's strategic goals and Quartile 4 representing those programs that contribute the least toward the achievement of the goals.

As noted on Exhibit 3, our results show that approximately 80% of current spending is dedicated to programs and services ranked in either Quartile 1 or Quartile 2. This validates that the City's existing budget process already did a good job of allocating resources to the most important programs. While this is favorable news, it also presented a challenge to make sizable budget reductions in just Quartile 3 and 4 programs, without having to make reductions in Quartile 1 or 2 programs.

The City Manager developed budget reduction targets for FY 2011/12 and FY 2012/13 for each City department based on the results of this budget prioritization project that were proportionate to how the department's programs fell into the various quartiles. Each City department was asked to develop its FY 2011/12 and 2012/13 budgets based on the target reduction amounts, but was also given the flexibility of proposing alternative approaches for reaching the target. Departments proposed various combinations of reductions, primarily in lower-priority programs, staffing reductions and/or revenue increases. The budget reductions included in this adopted budget are focused on the lower scoring activities, or are in areas where greater cost efficiencies can be achieved in the delivery of the higher scoring activities.

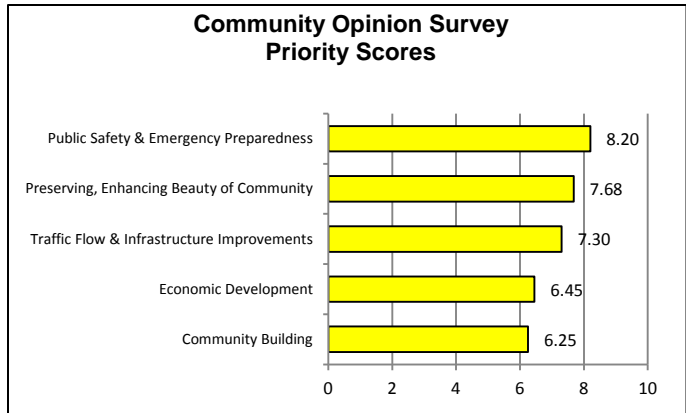


Exhibit 2

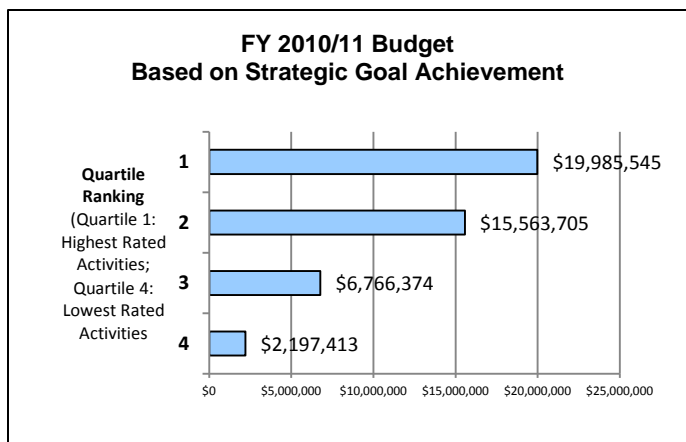


Exhibit 3

The PBB process proved to be a very valuable tool in assisting staff with the development of the 2011-13 Budget and will continue to be a valuable resource for developing budgets in the future that are consistent with the City's strategic goals.



CITY OF MISSION VIEJO
2011-13 Budget Development Calendar



The City of Mission Viejo, with the assistance of the Center for Priority Based Budgeting, undertook a Priority Based Budgeting (PBB) project as part of the 2011-13 budget development process. This project, in conjunction with a community opinion survey, was used to prioritize programs in each department. The PBB process required amending the usual budget calendar and the various milestones are incorporated into the calendar below.

<p align="center">NOVEMBER</p> <ul style="list-style-type: none"> • Budget prioritization project underway; scoring and ranking of programs completed by each department and an independent review team • City Manager reviews Priority Based Budgeting (PBB) scoring results 	<p align="center">DECEMBER</p> <ul style="list-style-type: none"> • Master Financial Plan (MFP) updated for FY 2011/12 through FY 2017/18 • Computer, Equipment, Vehicles and Furnishings (CEFV) and Facility Repair and Rehabilitation (FR&R) funds updated to reflect minimum funding needs
<p align="center">JANUARY</p> <ul style="list-style-type: none"> • Priority Based Budgeting (PBB) project in completion phase • Revenue and expenditure projections finalized in Master Financial Plan (MFP) • Personnel projections and staffing allocations updated for all departments 	<p align="center">FEBRUARY</p> <ul style="list-style-type: none"> • Community opinion survey done in conjunction with Priority Based Budgeting project • Priority Based Budgeting project completed and presented to Executive Management • Master Financial Plan completed and reviewed/approved by City Manager • Detailed budget planning timeline developed and provided to departments
<p align="center">MARCH</p> <ul style="list-style-type: none"> • City Manager meets with individual departments to discuss Priority Based Budgeting results • Departments receive budget reduction targets • Budget & Research disseminates instructions for updating program descriptions, performance measures, and objectives • Departments begin updating organizational charts and staffing allocations • Capital Improvement Program (CIP) planning meeting with City Manager and key departments 	<p align="center">APRIL</p> <ul style="list-style-type: none"> • Departments complete update of program descriptions, performance measures and objectives • Departments complete update of staff allocations and organizational charts • City Manager reviews department reduction and revenue enhancement proposals • Departments complete update of budget justification worksheets, submit to Budget & Research • Capital Improvement Program (CIP) project descriptions updated by Public Works
<p align="center">MAY</p> <ul style="list-style-type: none"> • Capital Improvement Program (CIP) requests reviewed by City Manager • Final budget balancing completed • Budget & Research completes entry of budget line-items into City's financial information system 	<p align="center">JUNE</p> <ul style="list-style-type: none"> • City Manager presents Proposed Budget to City Council (June 6, 2011) • City Council holds budget workshop (June 15, 2011) • City Council adopts two-year operating budget and Capital Improvement Program (July 5, 2011)

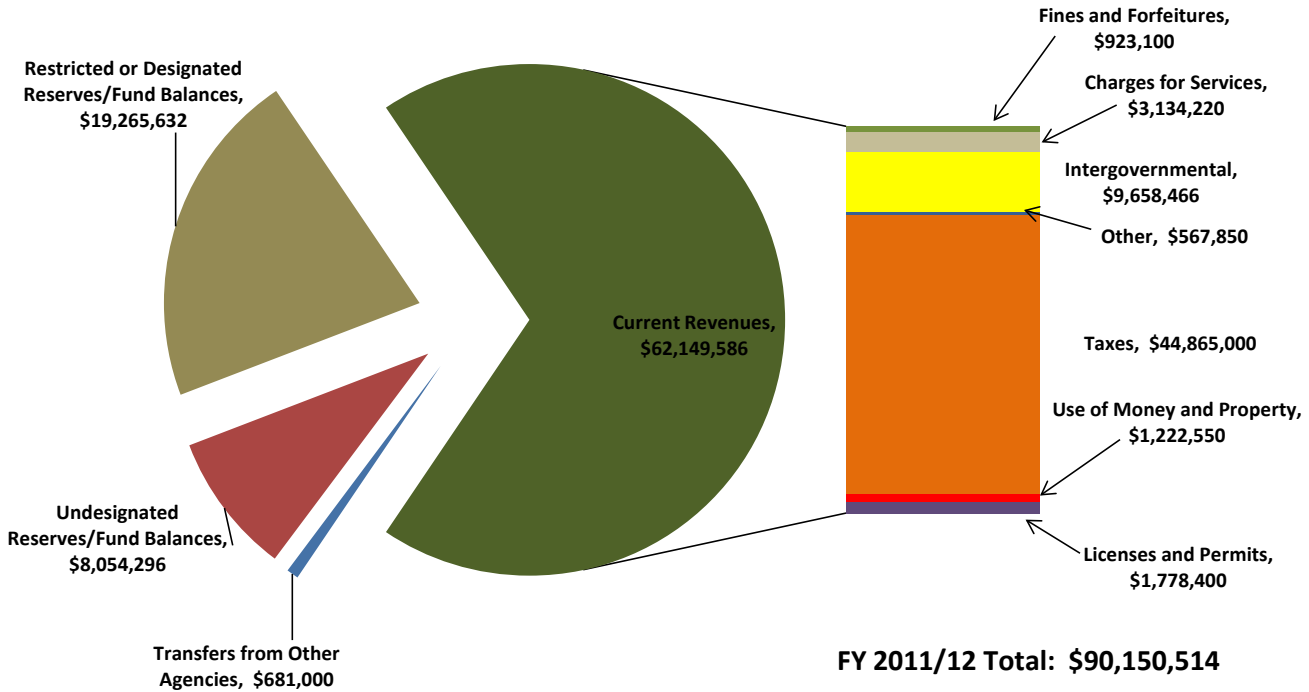
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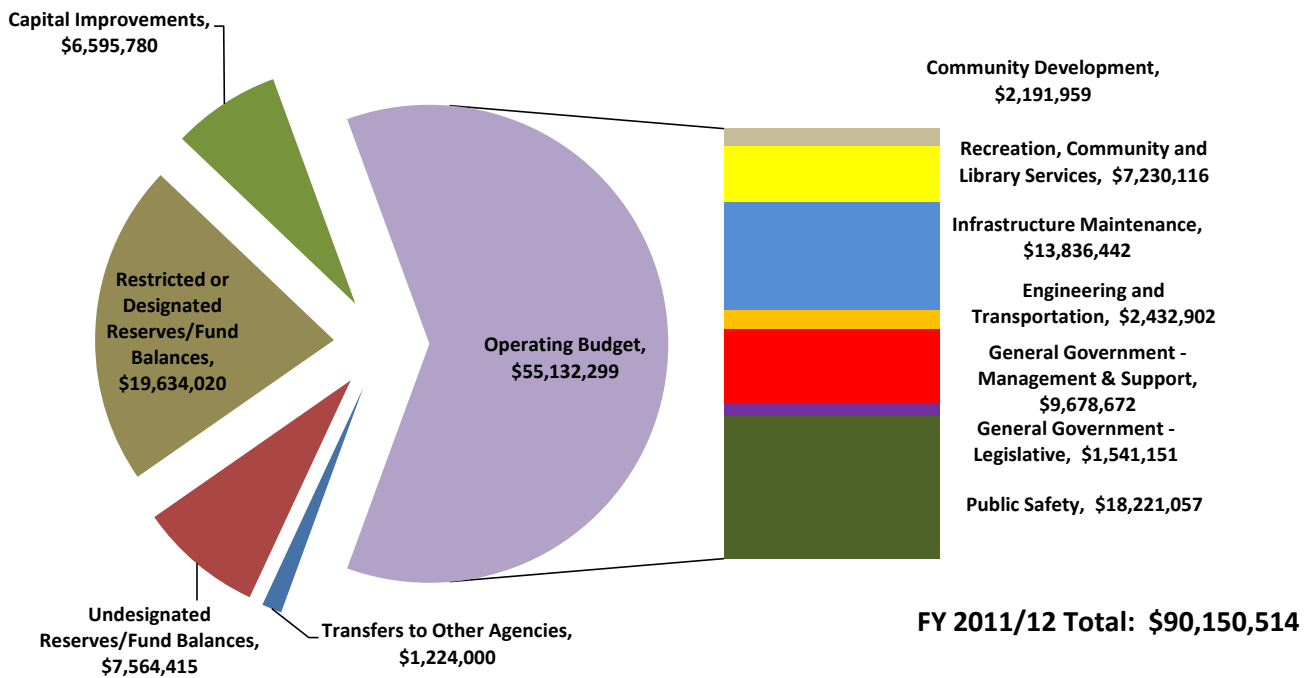
2011-2013 Budget Funding Sources and Uses



Where the Money Comes From FY 2011/12



Where the Money Goes FY 2011/12

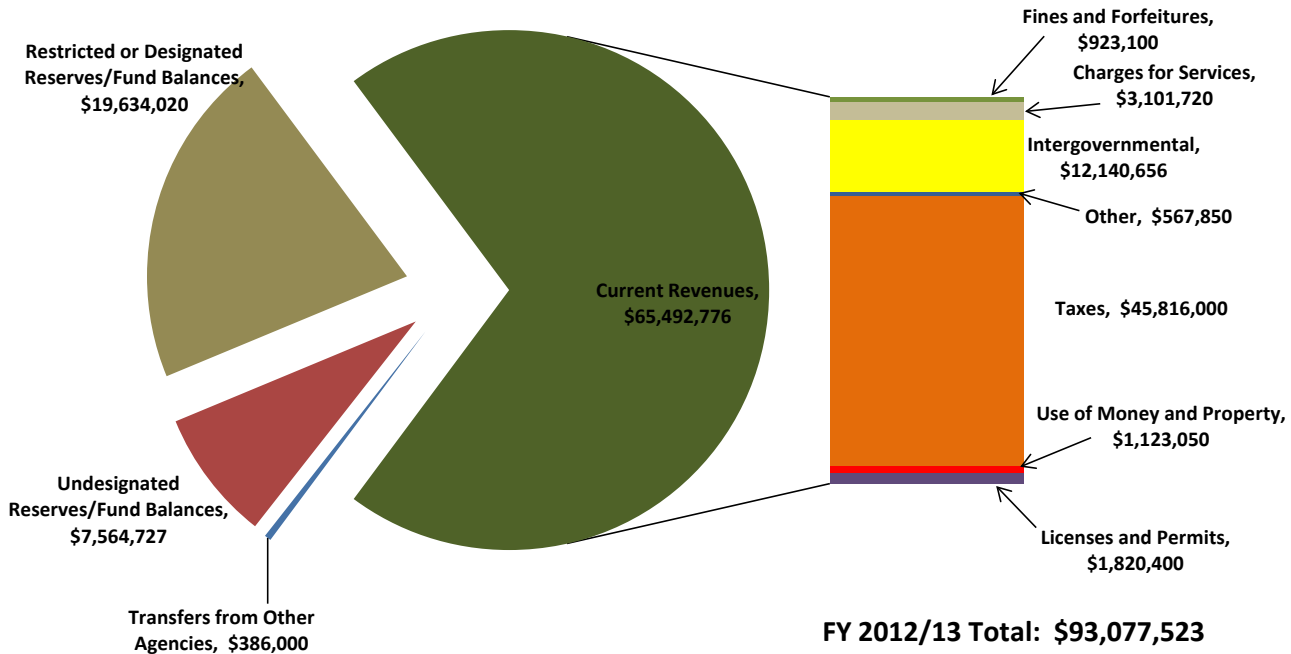




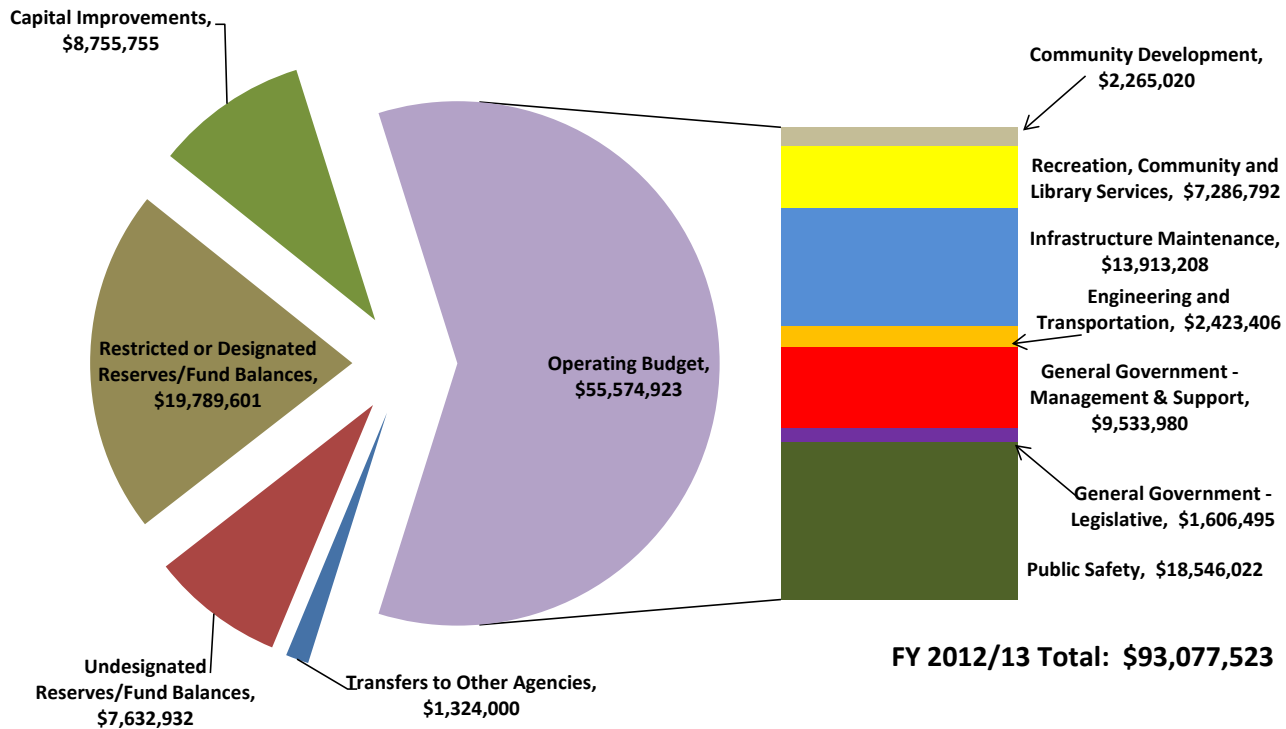
2011-2013 Budget Funding Sources and Uses



Where the Money Comes From FY 2012/13



Where the Money Goes FY 2012/13





2011-2013 Budget
Budget by Fund and Fund Balances



FY 2011/12

Fund #	Fund Description	Estimated Fund Balance 06/30/2011	Estimated Revenues	Operating Budget	Capital Improvement Budget	Total Budget	Interagency/In terfund Transfers	Contribution (from) / to Reserves	Estimated Fund Balance 06/30/12
101	General Fund	8,413,296	47,775,270	47,556,151	-	47,556,151	(709,000)	(489,880)	7,923,416
180	Computer/Equip/Furn/Veh Repl	2,735,705	-	-	-	-	500,000	500,000	3,235,705
190	Facility Rehab/Replacement	13,560,711	-	-	-	-	-	-	13,560,711
		24,709,712	47,775,270	47,556,151	-	47,556,151	(209,000)	10,120	24,719,832
201	Library Fund	397,901	2,652,500	3,058,260	67,000	3,125,260	415,000	(57,760)	340,141
207	OCTA Fund Exchange Fund	665	1,710,000	1,676,255	30,000	1,706,255	-	3,745	4,410
211	State Gas Tax Fund	-	2,714,250	282,000	2,429,520	2,711,520	-	2,730	2,730
212	Gas Tax - 2107.5 Fund	3,926	10,000	1,500	-	1,500	-	8,500	12,426
216	Foothill Circultn Phs Pgm Fund	155,890	-	-	-	-	-	-	155,890
218	Crown Valley Corridor Fee Fund	23,797	-	-	-	-	-	-	23,797
219	Air Quality Imprvrmt Trust Fd	9,035	122,000	47,250	70,200	117,450	-	4,550	13,585
220	Measure M SalesTax-Apprntmt Fd	1	25,000	-	24,000	24,000	-	1,000	1,001
223	MeasureM-Mstr Pln Artrl Hwy Fd	1	-	-	-	-	-	-	1
225	Sr Center Operations Fund	83,105	101,650	132,830	-	132,830	-	(31,180)	51,925
230	Measure M-Signal Fund	401	-	-	-	-	-	-	401
231	Petroleum Violation Acct Fund	60	-	-	-	-	-	-	60
234	Fed Regnl Surface Tran Prg Fd	276,590	-	-	-	-	-	-	276,590
244	Used Oil Recycling Block Grant	252	-	-	-	-	-	-	252
245	Park Development Fees Fund	12,192	-	-	-	-	-	-	12,192
248	Trans Eqty Act-ISTEA Fund	(783)	417,560	-	417,560	417,560	-	-	(783)
249	Ladera Funding	16,920	-	-	-	-	-	-	16,920
254	Fed Transprtn Appropriatn Fd	56,962	-	-	-	-	-	-	56,962
255	State Trffc Congestn Relief Fd	167,027	-	-	167,000	167,000	-	(167,000)	27
258	Federal Hwy Bridge Repl/RehbFd	1,500	-	-	-	-	-	-	1,500
260	Comm Development Block Grant	7,943	441,156	441,147	-	441,147	-	9	7,952
261	MV Foundation Fund	7,917	7,500	-	-	-	-	7,500	15,417
267	Measure M 2 SlsTx-Apprntmt Fd	791	1,257,000	-	1,253,000	1,253,000	-	4,000	4,791
269	CountyTrffc Congestn Relief Fd	3,987	-	-	-	-	-	-	3,987
272	Measure M2-ArtrlCapEnhanceFd	-	1,645,500	-	1,645,500	1,645,500	-	-	-
273	Safe Route to School Grant	-	492,000	-	492,000	492,000	-	-	-
343	MV Mall Parking Lease Fund	1,743	1,224,000	-	-	-	(1,224,000)	-	1,743
457	MVPublmpvCorp-Chrisanta Acq	4,723	-	-	-	-	-	-	4,723
510	Mission Viejo Television Fund	240,321	150,400	183,075	-	183,075	-	(32,675)	207,646
511	Mission Viejo TV Capital Fund	-	140,000	30,000	-	30,000	-	110,000	110,000
560	Animal Services Fund	1,137,349	1,263,800	1,723,832	-	1,723,832	475,000	14,968	1,152,317
	Total All Funds	27,319,928	62,149,586	55,132,300	6,595,780	61,728,080	(543,000)	(121,493)	27,198,435



**2011-2013 Budget
Discretionary Reserves***



FY 2011/12

General Fund Group	Projected Balance 06/30/2011	Current Revenues Less Expenditures	Interfund Transfers	Other Adjustments	Projected Balance 06/30/2012
<i>Designated Reserves/Fund Balances</i>					
General Fund Software Replacement Reserve	359,000	-	-	-	359,000
Computers, Equipment, Furnishings, Vehicles (CEFV) Replacement Fund	2,735,705	-	500,000	-	3,235,705
Facility Rehabilitation and Replacement Fund	13,560,711	-	-	-	13,560,711
Total Designated Reserves/Fund Balance	16,655,416	-	500,000	-	17,155,416
<i>Undesignated Reserves/Fund Balances</i>					
General Fund Contingency Reserve	6,946,544	-	-	219,747	7,166,291
<i>% of General Fund Revenues</i>	<i>15%</i>				<i>15%</i>
Unappropriated Fund Balance	1,107,752	219,119	(709,000)	(219,747)	398,124
Total Undesignated Reserves/Fund Balances	8,054,296	219,119	(709,000)	-	7,564,415
Grand Total, Discretionary Reserves	24,709,712	219,119	(209,000)	-	24,719,831
<i>% of General Fund Revenues</i>	<i>53%</i>				<i>52%</i>

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



**2011-2013 Budget
Interagency/Interfund Transfers**



FY 2011/12

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	Total Interagency /Interfund Transfers
General Fund	(500,000)	681,000	-	(415,000)	(475,000)	(709,000)
Computers, Equipment, Furnishings, Vehicles (CEFV)	500,000	-	-	-	-	500,000
Library	-	-	-	415,000	-	415,000
Mission Viejo Mall Parking Lease	-	-	(1,224,000)	-	-	(1,224,000)
Animal Services	-	-	-	-	475,000	475,000
Total All City Funds	-	681,000	(1,224,000)	-	-	(543,000)

(1) Only a portion of the annual CEFV asset depreciation amount of \$894,000 is being transferred to the CEFV fund in order to maintain the 15% Contingency Reserve, the software replacement reserve and an adequate unappropriated fund balance in the General Fund. No portion of the \$2.5 million annual FR&R asset depreciation amount or the \$7.6 million amount necessary to meet asset replacement funding level targets for the two funds is addressed.

(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 CDFRA.

(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.

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2011-2013 Budget
Budget by Fund and Fund Balances



FY 2012/13

Fund #	Fund Description	Estimated Fund Balance 06/30/2012	Estimated Revenues	Operating Budget	Capital Improvement Budget	Total Budget	Interagency/In terfund Transfers	Contribution (from) / to Reserves	Estimated Fund Balance 06/30/13
101	General Fund	7,923,728	48,381,270	47,809,065	-	47,809,065	(504,000)	68,205	7,991,621
180	Computer/Equip/Furn/Veh Repl	3,235,705	-	-	-	-	-	-	3,235,705
190	Facility Rehab/Replacement	13,560,711	-	-	-	-	-	-	13,560,711
		24,720,144	48,381,270	47,809,065	-	47,809,065	(504,000)	68,205	24,788,037
201	Library Fund	340,141	2,667,500	3,218,888	-	3,218,888	415,000	(136,388)	203,753
207	OCTA Fund Exchange Fund	4,410	1,710,000	1,676,356	-	1,676,356	-	33,644	38,054
211	State Gas Tax Fund	2,730	2,714,250	203,000	2,497,230	2,700,230	-	14,020	16,750
212	Gas Tax - 2107.5 Fund	12,426	10,000	1,500	-	1,500	-	8,500	20,926
216	Foothill Circultn Phs Pgm Fund	155,890	-	-	-	-	-	-	155,890
218	Crown Valley Corridor Fee Fund	23,797	-	-	-	-	-	-	23,797
219	Air Quality Imprvmnt Trust Fd	13,585	122,000	117,550	-	117,550	-	4,450	18,035
220	Measure M SalesTax-Apprtnmt Fd	1,001	25,000	-	-	-	-	25,000	26,001
223	MeasureM-Mstr Pln Artrl Hwy Fd	1	-	-	-	-	-	-	1
225	Sr Center Operations Fund	51,925	101,650	140,315	-	140,315	-	(38,665)	13,260
230	Measure M-Signal Fund	401	-	-	-	-	-	-	401
231	Petroleum Violation Acct Fund	60	-	-	-	-	-	-	60
234	Fed Regnl Surface Tran Prg Fd	276,590	-	-	-	-	-	-	276,590
244	Used Oil Recycling Block Grant	252	-	-	-	-	-	-	252
245	Park Development Fees Fund	12,192	-	-	-	-	-	-	12,192
248	Trans Eqty Act-ISTEA Fund	(783)	-	-	-	-	-	-	(783)
249	Ladera Funding	16,920	-	-	-	-	-	-	16,920
254	Fed Transprt Appropriatn Fd	56,962	-	-	-	-	-	-	56,962
255	State Trffc Congestn Relief Fd	27	-	-	-	-	-	-	27
258	Federal Hwy Bridge Repl/RehbFd	1,500	-	-	-	-	-	-	1,500
260	Comm Development Block Grant	7,952	441,156	441,353	-	441,353	-	(197)	7,755
261	MV Foundation Fund	15,417	7,500	-	-	-	-	7,500	22,917
267	Measure M 2 SlsTx-Apprtnmt Fd	4,791	1,335,250	-	1,299,525	1,299,525	-	35,725	40,516
269	CountyTrffc Congestn Relief Fd	3,987	-	-	-	-	-	-	3,987
272	Measure M2-ArtrlCapEnhanceFd	-	4,959,000	-	4,959,000	4,959,000	-	-	-
343	MV Mall Parking Lease Fund	1,743	1,324,000	-	-	-	(1,324,000)	-	1,743
457	MVPubImpvCorp-Chrisanta Acq	4,723	-	-	-	-	-	-	4,723
510	Mission Viejo Television Fund	207,646	150,400	185,540	-	185,540	-	(35,140)	172,506
511	Mission Viejo TV Capital Fund	110,000	280,000	30,000	-	30,000	-	250,000	360,000
560	Animal Services Fund	1,152,317	1,263,800	1,751,356	-	1,751,356	475,000	(12,556)	1,139,761
	Total All Funds	27,198,747	65,492,776	55,574,923	8,755,755	64,330,678	(938,000)	224,098	27,422,533



**2011-2013 Budget
Discretionary Reserves***



FY 2012/13

General Fund Group	Projected Balance 06/30/2012	Current Revenues Less Expenditures	Interfund Transfers	Other Adjustments	Projected Balance 06/30/2013
<i>Designated Reserves/Fund Balances</i>					
General Fund					
Software Replacement Reserve	359,000	-	-	-	359,000
Computers, Equipment, Furnishings Vehicles (CEFV) Replacement Fund	3,235,705	-	-	-	3,235,705
Facility Rehabilitation and Replacement Fund	13,560,711	-	-	-	13,560,711
Total Designated Reserves/Fund Balance	17,155,416	-	-	-	17,155,416
<i>Undesignated Reserves/Fund Balances</i>					
General Fund					
Contingency Reserve	7,166,291	-	-	90,900	7,257,191
<i>% of General Fund Revenues</i>	<i>15%</i>				<i>15%</i>
Unappropriated Fund Balance	398,436	572,205	(504,000)	(90,900)	375,741
Total Undesignated Reserves/Fund Balances	7,564,727	572,205	(504,000)	-	7,632,932
Grand Total, Discretionary Reserves	24,720,143	572,205	(504,000)	-	24,788,348
<i>% of General Fund Revenues</i>	<i>52%</i>				<i>51%</i>

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



**2011-2013 Budget
Interagency/Interfund Transfers**



FY 2012/13

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	Total Interagency / Interfund Transfers
General Fund	-	386,000	-	(415,000)	(475,000)	(504,000)
Library	-	-	-	415,000	-	415,000
Mission Viejo Mall Parking Lease	-	-	(1,324,000)	-	-	(1,324,000)
Animal Services	-	-	-	-	475,000	475,000
Total All City Funds	-	386,000	(1,324,000)	-	-	(938,000)

(1) No portion of the annual CEFV or FR&R asset depreciation amounts of \$894,000 and \$2.5 million, respectively, or the \$7.6 million amount necessary to meet target asset replacement funding levels for the two funds is addressed. This is done in order to maintain the 15% Contingency Reserve, the software replacement reserve, and unappropriated fund balance in the General Fund.

(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.

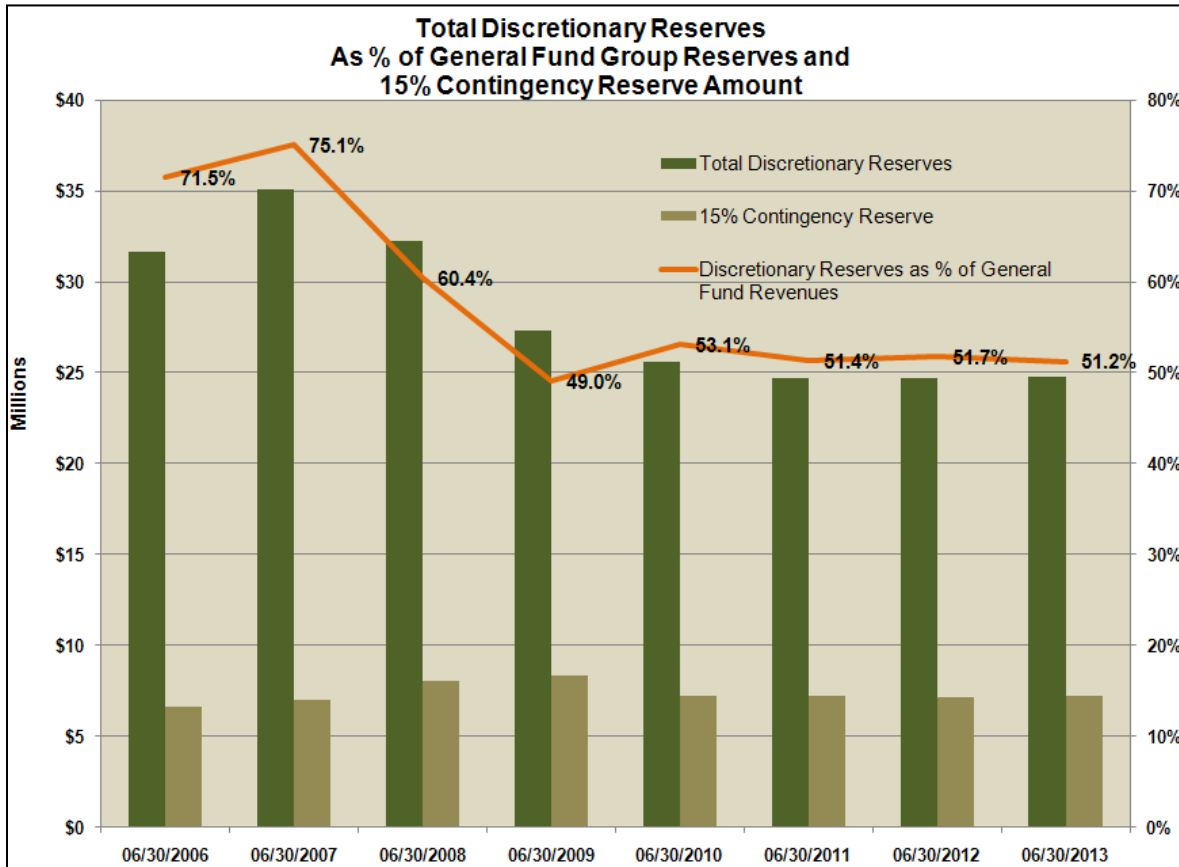
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CITY OF MISSION VIEJO Reserve Trends and Descriptions



The City Council adopted management and financial policies establish a grouping of the City’s reserves called “total discretionary reserves.” (These City Council 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 a minimum target level 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 **budgeted** amounts of total discretionary reserves and the percent they represent of total General Fund group revenues for FY 2005/06 through FY 2012/13. The chart also shows the 15% contingency reserve amount, also known as the City’s “rainy day fund.” As the chart shows, Mission Viejo has maintained discretionary reserves above the 50% level for all but one of the past six years. The 2011-13 budget is projecting discretionary reserves to be above the 50% level.

The schedules on the previous pages show how total discretionary reserves are further categorized as either “designated reserves/fund balances” or “undesignated reserves/fund balances,” depending on whether the City Council has indicated any potential use for the funds. The two asset replacement funds (CEFV and FR&R) and the Software Replacement Reserve within the General Fund, are considered designated reserves. The 15% Contingency Reserve within the General Fund and the unappropriated fund balance of the General Fund are considered undesignated reserves.

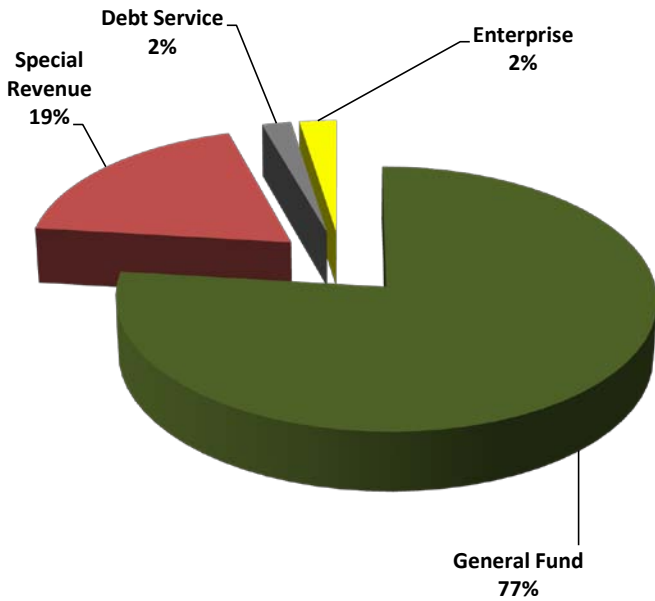
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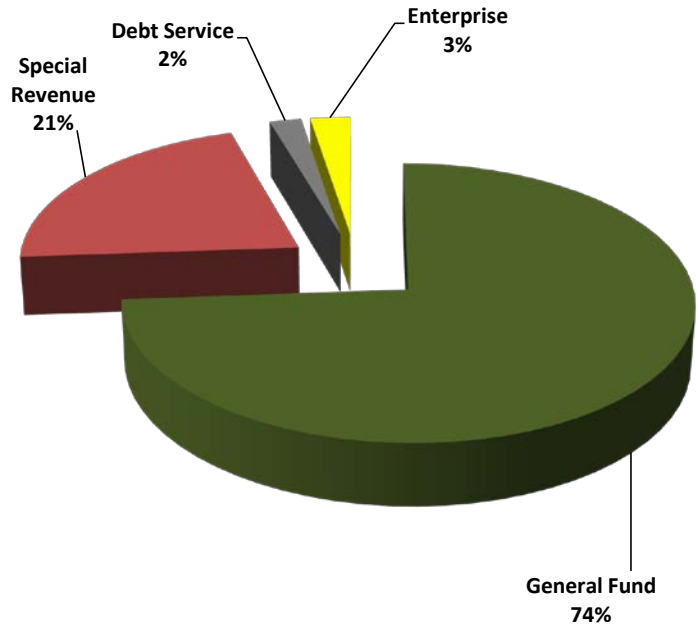
**2011-2013 Budget
Revenue by Fund Group**



**Revenue by Fund Group
FY 2011/12**



**Revenue by Fund Group
FY 2012/13**

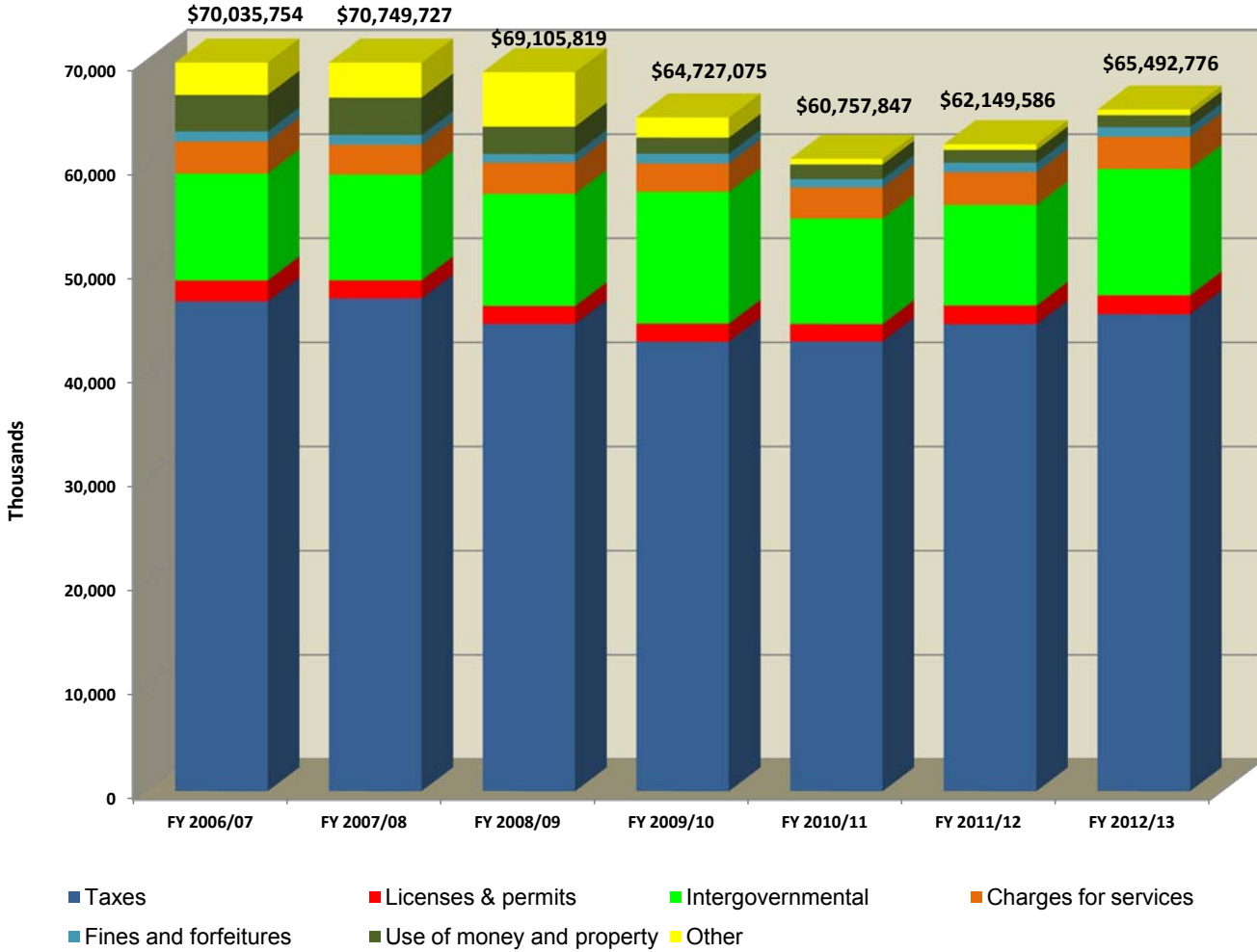


Revenue by Fund Group

	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
General Fund	\$ 52,337,309	\$ 51,878,950	\$ 49,369,675	\$ 47,367,092	\$ 46,364,293	\$ 47,775,270	3.0%	48,381,270	1.3%
Special Revenue	\$ 14,826,796	\$ 15,699,628	\$ 16,768,925	\$ 14,967,206	\$ 11,957,095	\$ 11,596,116	-3.0%	14,093,306	21.5%
Debt Service	\$ 1,824,964	\$ 1,647,684	\$ 1,439,996	\$ 1,098,924	\$ 1,046,089	\$ 1,224,000	17.0%	1,324,000	8.2%
Enterprise	\$ 1,046,652	\$ 1,523,424	\$ 1,527,219	\$ 1,293,853	\$ 1,390,370	\$ 1,554,200	11.8%	1,694,200	9.0%
Total Revenues	\$ 70,035,721	\$ 70,749,686	\$ 69,105,815	\$ 64,727,075	\$ 60,757,847	\$ 62,149,586	2.3%	\$ 65,492,776	5.4%



2011-2013 Budget
All Funds Revenue by Major Category



All Funds Revenue by Major Category

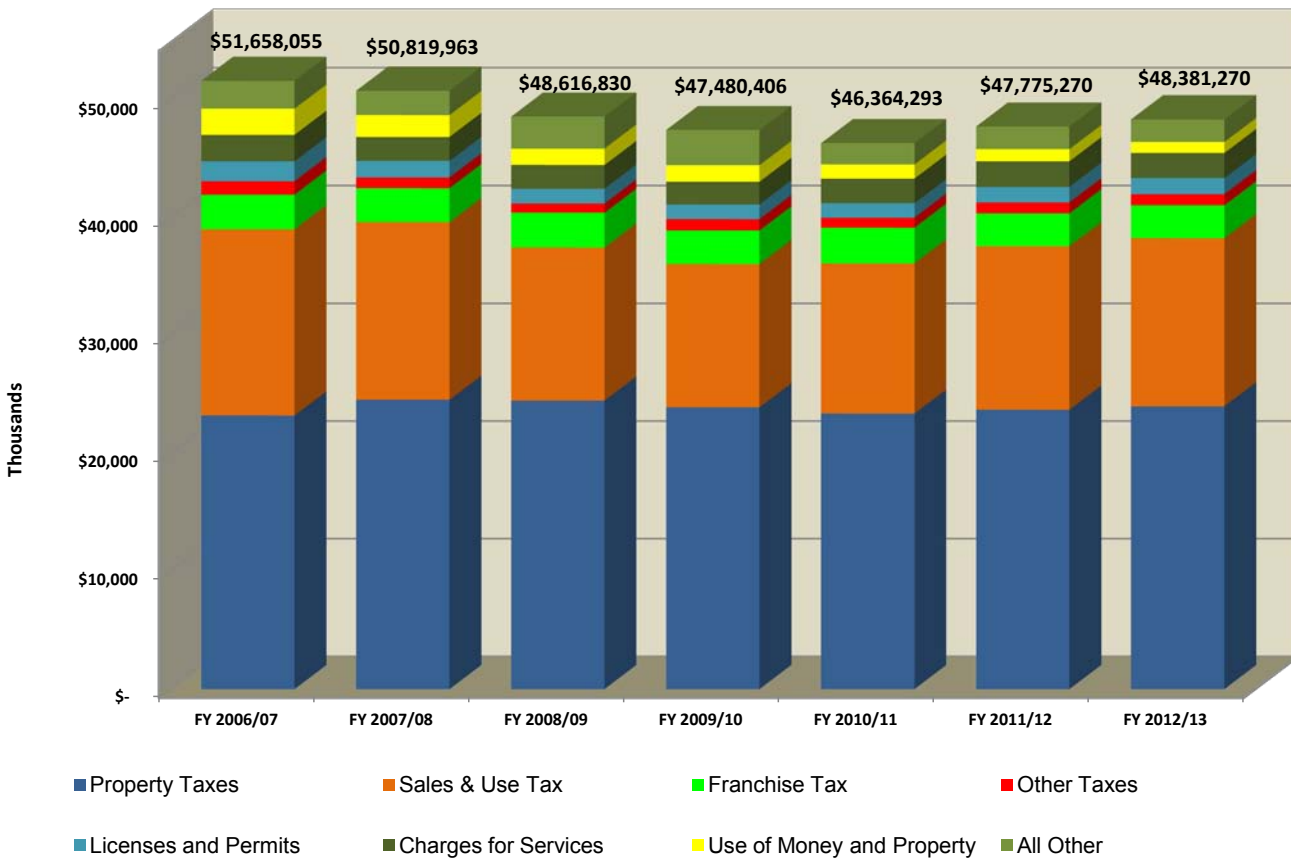
	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Taxes	\$ 47,041,223	\$ 47,321,484	\$ 44,885,833	\$ 43,182,153	\$ 43,202,999	\$ 44,865,000	3.8%	\$ 45,816,000	2.1%
Licenses & permits	\$ 2,017,761	\$ 1,752,365	\$ 1,711,890	\$ 1,723,841	\$ 1,674,800	\$ 1,778,400	6.2%	\$ 1,820,400	2.4%
Intergovernmental	\$ 10,274,756	\$ 10,131,159	\$ 10,774,265	\$ 12,669,460	\$ 10,129,415	\$ 9,658,466	-4.6%	\$ 12,140,656	25.7%
Charges for services	\$ 3,090,312	\$ 2,871,298	\$ 2,989,803	\$ 2,731,836	\$ 2,975,765	\$ 3,134,220	5.3%	\$ 3,101,720	-1.0%
Fines and forfeitures	\$ 955,549	\$ 949,926	\$ 849,158	\$ 934,871	\$ 835,750	\$ 923,100	10.5%	\$ 923,100	0.0%
Use of money and property	\$ 3,517,699	\$ 3,606,453	\$ 2,626,891	\$ 1,534,347	\$ 1,384,090	\$ 1,222,550	-11.7%	\$ 1,123,050	-8.1%
Other	\$ 3,138,454	\$ 4,117,042	\$ 5,267,979	\$ 1,950,567	\$ 555,028	\$ 567,850	2.3%	\$ 567,850	0.0%
Total Revenues	\$ 70,035,754	\$ 70,749,727	\$ 69,105,819	\$ 64,727,075	\$ 60,757,847	\$ 62,149,586	2.3%	\$ 65,492,776	5.4%



2011-2013 Budget General Fund Revenue by Major Source



	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Property Taxes	\$ 23,240,356	\$ 24,569,778	\$ 24,511,907	\$ 23,927,664	\$ 23,401,810	\$ 23,730,000	1.4%	\$ 24,020,000	1.2%
Property Transfer Tax	\$ 573,226	\$ 335,253	\$ 311,863	\$ 448,100	\$ 350,000	\$ 375,000	7.1%	\$ 375,000	0.0%
Sales & Use Tax	\$ 15,821,704	\$ 15,089,492	\$ 12,983,343	\$ 12,168,087	\$ 12,753,900	\$ 13,880,000	8.8%	\$ 14,271,000	2.8%
Transient Occupancy Tax	\$ 581,347	\$ 589,199	\$ 475,577	\$ 520,095	\$ 515,000	\$ 565,000	9.7%	\$ 580,000	2.7%
Franchise Tax	\$ 2,927,803	\$ 2,880,671	\$ 2,953,524	\$ 2,851,736	\$ 3,025,000	\$ 2,790,000	-7.8%	\$ 2,790,000	0.0%
Total Taxes	\$ 43,144,436	\$ 43,464,393	\$ 41,236,214	\$ 39,915,682	\$ 40,045,710	\$ 41,340,000	3.2%	\$ 42,036,000	1.7%
Licenses and Permits	\$ 1,673,856	\$ 1,388,460	\$ 1,265,539	\$ 1,244,695	\$ 1,212,950	\$ 1,314,200	8.3%	\$ 1,356,200	3.2%
Intergovernmental	\$ 932,365	\$ 849,573	\$ 612,830	\$ 1,593,322	\$ 619,431	\$ 642,800	3.8%	\$ 642,800	0.0%
Charges for Services	\$ 2,257,806	\$ 2,045,165	\$ 2,007,895	\$ 1,922,879	\$ 2,093,990	\$ 2,167,820	3.5%	\$ 2,135,320	-1.5%
Fines and Forfeitures	\$ 789,569	\$ 781,503	\$ 651,962	\$ 727,732	\$ 668,500	\$ 741,000	10.8%	\$ 741,000	0.0%
Use of Money and Property	\$ 2,220,203	\$ 1,849,721	\$ 1,395,032	\$ 1,410,648	\$ 1,196,890	\$ 1,034,050	-13.6%	\$ 934,550	-9.6%
Other	\$ 639,820	\$ 441,148	\$ 1,447,358	\$ 665,448	\$ 526,822	\$ 535,400	1.6%	\$ 535,400	0.0%
TOTAL General Fund	\$ 51,658,055	\$ 50,819,963	\$ 48,616,830	\$ 47,480,406	\$ 46,364,293	\$ 47,775,270	3.0%	\$ 48,381,270	1.3%





2011-2013 Budget
Revenue by Fund, Major Category and Object



	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
General Fund Group									
General Fund									
Property Taxes	23,240,356	24,569,778	24,511,907	23,927,664	23,401,810	23,730,000	1.4%	24,020,000	1.2%
Property Transfer Tax	573,226	335,253	311,863	448,100	350,000	375,000	7.1%	375,000	0.0%
Sales and Use Tax	15,821,704	15,089,492	12,983,343	12,168,087	12,753,900	13,880,000	8.8%	14,271,000	2.8%
Transient Occupancy Tax	581,347	589,199	475,577	520,095	515,000	565,000	9.7%	580,000	2.7%
Franchise Taxes	2,927,803	2,880,671	2,953,524	2,851,736	3,025,000	2,790,000	-7.8%	2,790,000	0.0%
Total Taxes Taxes	43,144,436	43,464,393	41,236,214	39,915,682	40,045,710	41,340,000	3.2%	42,036,000	1.7%
Licenses & permits Business Licenses	40,050	60,970	51,462	18,220	3,600	9,200	155.6%	9,200	0.0%
Private Property Develop Perm	1,412,601	1,048,858	925,382	1,023,227	1,025,600	1,106,500	7.9%	1,148,500	3.8%
Public Prop Encroach Permit	221,205	278,632	288,695	203,248	183,750	198,500	8.0%	198,500	0.0%
Total Licenses & permits	1,673,856	1,388,460	1,265,539	1,244,695	1,212,950	1,314,200	8.3%	1,356,200	3.2%
Intergovernmental Intergovtl-Federal Grants	22,056	28,692	-	504,171	62,584	-	-100.0%	-	-
Intergovtl-State Grants	103,099	102,824	55,388	173,160	70,926	50,000	-29.5%	50,000	0.0%
Intergovtl-State Other Subv	180,716	243,421	196,843	199,632	166,000	190,800	14.9%	190,800	0.0%
Intergovtl-St Motor Veh InLieu	611,463	438,534	337,213	294,366	266,921	374,000	40.1%	374,000	0.0%
Intergovtl-County- Other	15,031	36,102	23,386	421,993	53,000	28,000	-47.2%	28,000	0.0%
Total Intergovernmental	932,365	849,573	612,830	1,593,322	619,431	642,800	3.8%	642,800	0.0%
Charges for services City Clerk Service Charges	1,984	1,289	572	2,157	1,150	2,150	87.0%	2,150	0.0%
Finance Service Charges	357	664	1,137	665	-	-	-	-	-
Special Police Services	277	745	370	250	370	520	40.5%	520	0.0%
Zoning Fees and Subdiv Fees	61,367	44,795	45,755	57,217	76,750	133,800	74.3%	183,800	37.4%
Plan Checking Fees	683,103	349,762	220,462	253,006	347,100	405,700	16.9%	391,200	-3.6%
Engineer Fees/Inspections/Othr	60,817	57,859	53,161	31,982	39,250	93,500	138.2%	25,500	-72.7%
Parks and Recreation Fees	69,529	58,596	82,022	68,729	100,880	93,200	-7.6%	93,200	0.0%
Library Fees	10	-	-	-	-	-	-	-	-
Tennis Fees	402,335	363,560	373,547	306,545	312,500	202,500	-35.2%	202,500	0.0%
Recreation Center Fees	978,027	1,167,895	1,230,869	1,202,328	1,215,990	1,236,450	1.7%	1,236,450	0.0%
Total Charges for services	2,257,806	2,045,165	2,007,895	1,922,879	2,093,990	2,167,820	3.5%	2,135,320	-1.5%
Fines and forfeitures Vehicle Code Fines	628,266	616,799	496,820	556,263	500,000	550,000	10.0%	550,000	0.0%
Other Fines	7,914	12,244	9,878	8,199	8,500	1,000	-88.2%	1,000	0.0%
Forfeitures	14,500	19,000	20,500	54,250	40,000	40,000	0.0%	40,000	0.0%
Penalties	138,889	133,460	124,764	109,020	120,000	150,000	25.0%	150,000	0.0%
Total Fines and forfeitures	789,569	781,503	651,962	727,732	668,500	741,000	10.8%	741,000	0.0%
Use of money and property Investment Earnings	1,679,062	1,384,076	633,534	705,041	525,000	306,000	-41.7%	206,500	-32.5%
Rents & Concessions	541,141	462,902	761,498	705,607	671,890	728,050	8.4%	728,050	0.0%
Royalties	-	2,743	-	-	-	-	-	-	-
Total Use of money and property	2,220,203	1,849,721	1,395,032	1,410,648	1,196,890	1,034,050	-13.6%	934,550	-9.6%
Other Developer Fees	-	-	274,474	-	-	-	-	-	-
Reimbursements	546,978	360,477	1,070,234	630,183	492,922	507,100	2.9%	507,100	0.0%
Sale of Publications	3,932	2,414	495	644	-	-	-	-	-
Donations	50,689	52,060	43,600	9,905	21,900	14,800	-32.4%	14,800	0.0%
Proceeds - Litigation	13,000	-	18,224	240	-	-	-	-	-
Other Miscellaneous	25,221	6,197	25,168	23,704	12,000	13,500	12.5%	13,500	0.0%
Total Other	639,820	421,148	1,432,195	664,676	526,822	535,400	1.6%	535,400	0.0%
Capital asset disposal Capital Asset Disposal	-	20,000	15,163	772	-	-	-	-	-
Total Capital asset disposal	-	20,000	15,163	772	-	-	-	-	-
Total General Fund	51,658,055	50,819,963	48,616,830	47,480,406	46,364,293	47,775,270	3.0%	48,381,270	1.3%



2011-2013 Budget
Revenue by Fund, Major Category and Object



	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Computer/Equip/Furn/Veh Repl									
Use of money and property Investment Earnings	228,952	284,868	137,911	(21,340)	-	-		-	
Total Use of money and property	228,952	284,868	137,911	(21,340)	-	-		-	
Other Other Miscellaneous	14	-	-	-	-	-		-	
Total Other	14	-	-	-	-	-		-	
Capital asset disposal Capital Asset Disposal	9,338	2,896	7,936	2,970	-	-		-	
Total Capital asset disposal	9,338	2,896	7,936	2,970	-	-		-	
Total Computer/Equip/Furn/Veh Repl	238,304	287,764	145,847	(18,370)	-	-		-	
Facility Rehab/Replacement									
Use of money and property Investment Earnings	440,950	771,223	606,998	(94,944)	-	-		-	
Total Use of money and property	440,950	771,223	606,998	(94,944)	-	-		-	
Total Facility Rehab/Replacement	440,950	771,223	606,998	(94,944)	-	-		-	
Total General Fund Group	52,337,309	51,878,950	49,369,675	47,367,092	46,364,293	47,775,270	3.0%	48,381,270	1.3%
Special Revenue Fund Group									
Library Fund									
Taxes Property Taxes	1,954,016	2,084,278	2,070,691	2,024,859	1,971,200	2,017,000	2.3%	2,032,000	0.7%
Total Taxes	1,954,016	2,084,278	2,070,691	2,024,859	1,971,200	2,017,000	2.3%	2,032,000	0.7%
Intergovernmental Intergovtl-Federal Grants	-	10,000	25,250	17,250	-	-		-	
Intergovtl-State Other Subv	231,077	148,396	158,067	164,264	142,000	142,000	0.0%	142,000	0.0%
Intergovtl-Other Shared Rev	92,129	101,052	102,101	111,432	103,266	104,000	0.7%	104,000	0.0%
Total Intergovernmental	323,206	259,448	285,418	292,946	245,266	246,000	0.3%	246,000	0.0%
Charges for services Engineer Fees/Inspections/Othr	-	-	-	-	-	67,000		67,000	0.0%
Library Fees	358,953	284,111	196,546	197,067	147,500	152,500	3.4%	152,500	0.0%
Total Charges for services	358,953	284,111	196,546	197,067	147,500	219,500	48.8%	219,500	0.0%
Fines and forfeitures Other Fines	140,211	140,166	147,690	138,231	130,200	131,000	0.6%	131,000	0.0%
Total Fines and forfeitures	140,211	140,166	147,690	138,231	130,200	131,000	0.6%	131,000	0.0%
Use of money and property Investment Earnings	58,736	63,980	24,841	9,702	10,000	8,000	-20.0%	8,000	0.0%
Rents & Concessions	33,857	25,971	12,125	16,688	10,000	15,000	50.0%	15,000	0.0%
Total Use of money and property	92,593	89,951	36,966	26,390	20,000	23,000	15.0%	23,000	0.0%
Other Reimbursements	7,034	6,629	6,629	8,126	6,000	6,000	0.0%	6,000	0.0%
Donations	30,466	2,721	10,271	315	-	-		-	
Other Miscellaneous	(77)	3,789	5,608	5,208	5,000	10,000	100.0%	10,000	0.0%
Total Other	37,423	13,139	22,508	13,649	11,000	16,000	45.5%	16,000	0.0%
Total Library Fund	2,906,402	2,871,093	2,759,819	2,693,142	2,525,166	2,652,500	5.0%	2,667,500	0.6%
Suppl Law Enforcement Svcs Fd									
Intergovernmental Intergovtl-State Other Subv	191,034	189,377	94,434	109,394	100,000	-	-100.0%	-	
Total Intergovernmental	191,034	189,377	94,434	109,394	100,000	-	-100.0%	-	
Use of money and property Investment Earnings	3,402	3,109	-	-	-	-		-	
Total Use of money and property	3,402	3,109	-	-	-	-		-	
Total Suppl Law Enforcement Svcs Fd	194,436	192,486	94,434	109,394	100,000	-	-100.0%	-	
Cal Law Enfrmt Equip ProgFund									
Use of money and property Investment Earnings	291	296	132	-	-	-		-	
Total Use of money and property	291	296	132	-	-	-		-	
Total Cal Law Enfrmt Equip ProgFund	291	296	132	-	-	-		-	



2011-2013 Budget
Revenue by Fund, Major Category and Object



	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
OCTA Fund Exchange Fund									
Intergovernmental Intergovtl-County Shared Rev	1,860,000	1,956,000	2,075,000	2,075,001	1,674,970	1,700,000	1.5%	1,700,000	0.0%
Total Intergovernmental	1,860,000	1,956,000	2,075,000	2,075,001	1,674,970	1,700,000	1.5%	1,700,000	0.0%
Use of money and property Investment Earnings	37,780	36,696	10,380	-	10,000	10,000	0.0%	10,000	0.0%
Total Use of money and property	37,780	36,696	10,380	-	10,000	10,000	0.0%	10,000	0.0%
Other Reimbursements	-	6,135	-	-	-	-	-	-	-
Total Other	-	6,135	-	-	-	-	-	-	-
Total OCTA Fund Exchange Fund	1,897,780	1,998,831	2,085,380	2,075,001	1,684,970	1,710,000	1.5%	1,710,000	0.0%
State Gas Tax Fund									
Intergovernmental Intergovtl-State Gas Tax	1,777,123	1,737,512	1,451,586	1,600,108	2,540,486	2,694,250	6.1%	2,694,250	0.0%
Total Intergovernmental	1,777,123	1,737,512	1,451,586	1,600,108	2,540,486	2,694,250	6.1%	2,694,250	0.0%
Use of money and property Investment Earnings	122,808	128,369	52,903	29,631	35,000	20,000	-42.9%	20,000	0.0%
Total Use of money and property	122,808	128,369	52,903	29,631	35,000	20,000	-42.9%	20,000	0.0%
Other Reimbursements	29,788	-	-	-	-	-	-	-	-
Total Other	29,788	-	-	-	-	-	-	-	-
Total State Gas Tax Fund	1,929,719	1,865,881	1,504,489	1,629,739	2,575,486	2,714,250	5.4%	2,714,250	0.0%
Gas Tax - 2107.5 Fund									
Intergovernmental Intergovtl-State Gas Tax	7,500	-	-	10,000	10,000	10,000	0.0%	10,000	0.0%
Total Intergovernmental	7,500	-	-	10,000	10,000	10,000	0.0%	10,000	0.0%
Use of money and property Investment Earnings	553	957	375	51	-	-	-	-	-
Total Use of money and property	553	957	375	51	-	-	-	-	-
Total Gas Tax - 2107.5 Fund	8,053	957	375	10,051	10,000	10,000	0.0%	10,000	0.0%
Foothill Circultrn Phs Pgm Fund									
Intergovernmental Intergovtl-County Shared Rev	-	-	-	105,183	-	-	-	-	-
Total Intergovernmental	-	-	-	105,183	-	-	-	-	-
Total Foothill Circultrn Phs Pgm Fund	-	-	-	105,183	-	-	-	-	-
Crown Valley Corridor Fee Fund									
Use of money and property Investment Earnings	44,212	56,115	16,588	4,828	-	-	-	-	-
Total Use of money and property	44,212	56,115	16,588	4,828	-	-	-	-	-
Other Developer Fees	124,800	-	-	-	-	-	-	-	-
Total Other	124,800	-	-	-	-	-	-	-	-
Total Crown Valley Corridor Fee Fund	169,012	56,115	16,588	4,828	-	-	-	-	-
Air Quality Imprvmnt Trust Fd									
Intergovernmental Intergovtl-State Other Subv	118,194	116,481	115,201	112,836	110,000	115,200	4.7%	115,200	0.0%
Total Intergovernmental	118,194	116,481	115,201	112,836	110,000	115,200	4.7%	115,200	0.0%
Use of money and property Investment Earnings	15,980	17,668	9,019	7,852	7,500	6,800	-9.3%	6,800	0.0%
Total Use of money and property	15,980	17,668	9,019	7,852	7,500	6,800	-9.3%	6,800	0.0%
Total Air Quality Imprvmnt Trust Fd	134,174	134,149	124,220	120,688	117,500	122,000	3.8%	122,000	0.0%
Measure M SalesTax-Apprtnmt Fd									
Intergovernmental Intergovtl-State Grants	-	6,879	-	-	-	-	-	-	-
Intergovtl-County Shared Rev	1,281,511	1,269,388	1,107,395	963,648	711,338	-	-100.0%	-	-
Total Intergovernmental	1,281,511	1,276,267	1,107,395	963,648	711,338	-	-100.0%	-	-
Use of money and property Investment Earnings	106,466	151,153	124,201	50,169	7,000	25,000	257.1%	25,000	0.0%
Total Use of money and property	106,466	151,153	124,201	50,169	7,000	25,000	257.1%	25,000	0.0%
Other Reimbursements	-	76,875	-	-	-	-	-	-	-
Total Other	-	76,875	-	-	-	-	-	-	-
Total Measure M SalesTax-Apprtnmt Fd	1,387,977	1,504,295	1,231,596	1,013,817	718,338	25,000	-96.5%	25,000	0.0%



2011-2013 Budget
Revenue by Fund, Major Category and Object



	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Measure M-Mstr Pln Artrl Hwy Fd									
Intergovernmental Intergovtl-County Grant	-	112,444	-	142,396	-	-	-	-	-
Total Intergovernmental	-	112,444	-	142,396	-	-			
Use of money and property Investment Earnings	6	-	-	-	-	-	-	-	-
Total Use of money and property	6	-	-	-	-	-			
Total Measure M-Mstr Pln Artrl Hwy Fd	6	112,444	-	142,396	-	-			
Measure M-Growth Mgmt Area9 Fd									
Intergovernmental Intergovtl-County Grant	(2,596)	60,072	43,942	164,371	7,000	-	-100.0%	-	-
Total Intergovernmental	(2,596)	60,072	43,942	164,371	7,000	-	-100.0%	-	-
Use of money and property Investment Earnings	6,898	8,265	8,202	6,420	-	-	-	-	-
Total Use of money and property	6,898	8,265	8,202	6,420	-	-			
Total Measure M-Growth Mgmt Area9 Fd	4,302	68,337	52,144	170,791	7,000	-	-100.0%	-	-
Sr Center Operations Fund									
Charges for services Parks and Recreation Fees	-	-	-	(55)	-	-	-	-	-
Recreation Center Fees	34,118	28,435	44,059	47,229	43,505	44,000	1.1%	44,000	0.0%
Total Charges for services	34,118	28,435	44,059	47,174	43,505	44,000	1.1%	44,000	0.0%
Use of money and property Investment Earnings	9,691	12,065	7,038	3,296	4,500	3,200	-28.9%	3,200	0.0%
Rents & Concessions	36,737	18,225	47,109	46,432	46,000	51,000	10.9%	51,000	0.0%
Total Use of money and property	46,428	30,290	54,147	49,728	50,500	54,200	7.3%	54,200	0.0%
Other Donations	2,184	2,156	4,704	3,734	1,956	2,200	12.5%	2,200	0.0%
Proceeds - Litigation	-	80	-	-	-	-	-	-	-
Other Miscellaneous	830	1,121	1,424	1,224	1,250	1,250	0.0%	1,250	0.0%
Total Other	3,014	3,357	6,128	4,958	3,206	3,450	7.6%	3,450	0.0%
Total Sr Center Operations Fund	83,560	62,082	104,334	101,860	97,211	101,650	4.6%	101,650	0.0%
Measure M-GrowthMgmt Area10 Fd									
Intergovernmental Intergovtl-County Grant	14,776	19,412	8,833	23,930	-	-	-	-	-
Total Intergovernmental	14,776	19,412	8,833	23,930	-	-			
Use of money and property Investment Earnings	9,342	8,105	4,921	3,631	-	-	-	-	-
Total Use of money and property	9,342	8,105	4,921	3,631	-	-			
Total Measure M-GrowthMgmt Area10 Fd	24,118	27,517	13,754	27,561	-	-			
Measure M-Intersection Fund									
Intergovernmental Intergovtl-County Grant	-	-	-	1,132,589	-	-	-	-	-
Total Intergovernmental	-	-	-	1,132,589	-	-			
Total Measure M-Intersection Fund	-	-	-	1,132,589	-	-			
Fed Regnl Surface Tran Prg Fd									
Intergovernmental Intergovtl-Federal Grants	216,156	493,986	619,038	235,339	-	-	-	-	-
Total Intergovernmental	216,156	493,986	619,038	235,339	-	-			
Total Fed Regnl Surface Tran Prg Fd	216,156	493,986	619,038	235,339	-	-			
Used Oil Recycling Block Grant									
Intergovernmental Intergovtl-State Grants	3,030	2,593	-	-	-	-	-	-	-
Total Intergovernmental	3,030	2,593	-	-	-	-			
Use of money and property Investment Earnings	851	176	80	64	-	-	-	-	-
Total Use of money and property	851	176	80	64	-	-			
Total Used Oil Recycling Block Grant	3,881	2,769	80	64	-	-			
Trans Eqty Act-ISTEA Fund									
Intergovernmental Intergovtl-Federal Grants	303,146	568,928	500,466	188,317	-	417,560	-	-	-
Total Intergovernmental	303,146	568,928	500,466	188,317	-	417,560			
Total Trans Eqty Act-ISTEA Fund	303,146	568,928	500,466	188,317	-	417,560			



2011-2013 Budget
Revenue by Fund, Major Category and Object



	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Ladera Funding									
Use of money and property Investment Earnings	(1,800)	1,800	-	-	-	-		-	
Total Use of money and property	(1,800)	1,800	-	-	-	-		-	
Other Developer Fees	2,095,108	3,165,749	3,610,445	1,141,968	-	-		-	
Reimbursements	-	-	189	22,890	-	-		-	
Total Other	2,095,108	3,165,749	3,610,634	1,164,858	-	-		-	
Total Ladera Funding	2,093,308	3,167,549	3,610,634	1,164,858	-	-		-	
Regional Narcotics Suppression									
Use of money and property Investment Earnings	262	267	119	-	-	-		-	
Total Use of money and property	262	267	119	-	-	-		-	
Total Regional Narcotics Suppression	262	267	119	-	-	-		-	
Fed Transprt Appropriatn Fd									
Intergovernmental Intergovtl-Federal Grants	658,218	15,944	15,623	(1,293)	-	-		-	
Total Intergovernmental	658,218	15,944	15,623	(1,293)	-	-		-	
Use of money and property Investment Earnings	-	-	277	1,293	-	-		-	
Total Use of money and property	-	-	277	1,293	-	-		-	
Total Fed Transprt Appropriatn Fd	658,218	15,944	15,900	-	-	-		-	
State Trffc Congestn Relief Fd									
Intergovernmental Intergovtl-State Grants	732,340	-	635,398	857,468	-	-		-	
Total Intergovernmental	732,340	-	635,398	857,468	-	-		-	
Use of money and property Investment Earnings	42,826	8,124	15,410	8,690	-	-		-	
Total Use of money and property	42,826	8,124	15,410	8,690	-	-		-	
Total State Trffc Congestn Relief Fd	775,166	8,124	650,808	866,158	-	-		-	
Federal Hwy Bridge Repl/RehbFd									
Intergovernmental Intergovtl-Federal Grants	157,433	336,849	53,512	49,744	-	-		-	
Total Intergovernmental	157,433	336,849	53,512	49,744	-	-		-	
Use of money and property Investment Earnings	-	-	1,500	-	-	-		-	
Total Use of money and property	-	-	1,500	-	-	-		-	
Total Federal Hwy Bridge Repl/RehbFd	157,433	336,849	55,012	49,744	-	-		-	
State Urban Parks Grant/NPM									
Intergovernmental Intergovtl-State Grants	1,110,202	1,289,798	600,000	-	-	-		-	
Total Intergovernmental	1,110,202	1,289,798	600,000	-	-	-		-	
Total State Urban Parks Grant/NPM	1,110,202	1,289,798	600,000	-	-	-		-	
Comm Development Block Grant									
Intergovernmental Intergovtl-Federal Grants	591,118	593,943	407,971	637,388	683,973	441,156	-35.5%	441,156	0.0%
Total Intergovernmental	591,118	593,943	407,971	637,388	683,973	441,156	-35.5%	441,156	0.0%
Use of money and property Investment Earnings	-	10,723	-	-	-	-		-	
Total Use of money and property	-	10,723	-	-	-	-		-	
Other Reimbursements	-	55,031	91,798	55,529	-	-		-	
Other Miscellaneous	10	-	-	-	-	-		-	
Total Other	10	55,031	91,798	55,529	-	-		-	
Total Comm Development Block Grant	591,128	659,697	499,769	692,917	683,973	441,156	-35.5%	441,156	0.0%
MV Foundation Fund									
Use of money and property Investment Earnings	418	-	-	-	-	-		-	
Total Use of money and property	418	-	-	-	-	-		-	
Other Donations	177,500	-	23,833	25,000	7,500	7,500	0.0%	7,500	0.0%
Total Other	177,500	-	23,833	25,000	7,500	7,500	0.0%	7,500	0.0%
Total MV Foundation Fund	177,918	-	23,833	25,000	7,500	7,500	0.0%	7,500	0.0%



2011-2013 Budget
Revenue by Fund, Major Category and Object



	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
SCRIP Fund									
Intergovernmental Intergovtl-State Grants	-	-	-	-	3,150,000	-	-100.0%	-	-
Total Intergovernmental	-	-	-	-	3,150,000	-	-100.0%	-	-
Total SCRIP Fund	-	-	-	-	3,150,000	-	-100.0%	-	-
Measure M - Transit Project Fd									
Intergovernmental Intergovtl-County Grant	-	48,356	51,464	-	-	-	-	-	-
Total Intergovernmental	-	48,356	51,464	-	-	-	-	-	-
Use of money and property Investment Earnings	-	-	587	-	-	-	-	-	-
Total Use of money and property	-	-	587	-	-	-	-	-	-
Total Measure M - Transit Project Fd	-	48,356	52,051	-	-	-	-	-	-
Misc Federal Grants Fund									
Intergovernmental Intergovtl-Federal Grants	-	-	192,400	-	-	-	-	-	-
Total Intergovernmental	-	-	192,400	-	-	-	-	-	-
Total Misc Federal Grants Fund	-	-	192,400	-	-	-	-	-	-
Prop 1B/State InfrastructureBd									
Intergovernmental Intergovtl-State Grants	-	203,996	1,573,272	1,255,992	-	-	-	-	-
Total Intergovernmental	-	203,996	1,573,272	1,255,992	-	-	-	-	-
Use of money and property Investment Earnings	-	8,701	57,796	27,417	-	-	-	-	-
Total Use of money and property	-	8,701	57,796	27,417	-	-	-	-	-
Total Prop 1B/State InfrastructureBd	-	212,697	1,631,068	1,283,409	-	-	-	-	-
Misc State Grants Fund									
Intergovernmental Intergovtl-State Grants	-	-	-	109,742	-	-	-	-	-
Total Intergovernmental	-	-	-	109,742	-	-	-	-	-
Total Misc State Grants Fund	-	-	-	109,742	-	-	-	-	-
Measure M 2 SIsTx-Apprntmt Fd									
Intergovernmental Intergovtl-County Shared Rev	-	-	-	-	276,951	1,254,000	352.8%	1,332,250	6.2%
Total Intergovernmental	-	-	-	-	276,951	1,254,000	352.8%	1,332,250	6.2%
Use of money and property Investment Earnings	-	-	-	-	3,000	3,000	0.0%	3,000	0.0%
Total Use of money and property	-	-	-	-	3,000	3,000	0.0%	3,000	0.0%
Total Measure M 2 SIsTx-Apprntmt Fd	-	-	-	-	279,951	1,257,000	349.0%	1,335,250	6.2%
ARRA (Stimulus) Fund									
Intergovernmental Intergovtl-Federal Grants	-	-	-	793,400	-	-	-	-	-
Intergovtl-State Grants	-	-	-	217,170	-	-	-	-	-
Total Intergovernmental	-	-	-	1,010,570	-	-	-	-	-
Total ARRA (Stimulus) Fund	-	-	-	1,010,570	-	-	-	-	-
CountyTrffc Congestn Relief Fd									
Intergovernmental Intergovtl-County- Other	-	-	330,482	-	-	-	-	-	-
Total Intergovernmental	-	-	330,482	-	-	-	-	-	-
Use of money and property Investment Earnings	-	-	-	3,988	-	-	-	-	-
Total Use of money and property	-	-	-	3,988	-	-	-	-	-
Total CountyTrffc Congestn Relief Fd	-	-	330,482	3,988	-	-	-	-	-
Measure M2-ArtrlCapEnhanceFd									
Intergovernmental Intergovtl-County Grant	-	-	-	-	-	1,645,500	-	4,959,000	201.4%
Total Intergovernmental	-	-	-	-	-	1,645,500	-	4,959,000	201.4%
Total Measure M2-ArtrlCapEnhanceFd	-	-	-	-	-	1,645,500	-	4,959,000	201.4%



2011-2013 Budget
Revenue by Fund, Major Category and Object



	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Safe Route to School Grant									
Intergovernmental Intergovtl-Federal Grants	-	-	-	-	-	492,000		-	-100.0%
Total Intergovernmental	-	-	-	-	-	492,000		-	-100.0%
Total Safe Route to School Grant	-	-	-	-	-	492,000		-	-100.0%
Total Special Revenue Fund Group	14,826,796	15,699,627	16,768,925	14,967,146	11,957,095	11,596,116	-3.0%	14,093,306	21.5%
Debt Service Fund Group									
MV Mall Parking Lease Fund									
Taxes Sales and Use Tax	1,810,529	1,632,789	1,436,723	1,097,181	1,046,089	1,224,000	17.0%	1,324,000	8.2%
Total Taxes	1,810,529	1,632,789	1,436,723	1,097,181	1,046,089	1,224,000	17.0%	1,324,000	8.2%
Use of money and property Investment Earnings	14,435	14,895	3,273	1,743	-	-		-	
Total Use of money and property	14,435	14,895	3,273	1,743	-	-		-	
Total MV Mall Parking Lease Fund	1,824,964	1,647,684	1,439,996	1,098,924	1,046,089	1,224,000	17.0%	1,324,000	8.2%
Total Debt Service Fund Group	1,824,964	1,647,684	1,439,996	1,098,924	1,046,089	1,224,000	17.0%	1,324,000	8.2%
Enterprise Fund Group									
Mission Viejo Television Fund									
Taxes Franchise Taxes	132,242	140,024	142,205	144,431	140,000	144,000	2.9%	144,000	0.0%
Total Taxes	132,242	140,024	142,205	144,431	140,000	144,000	2.9%	144,000	0.0%
Charges for services City Mgr Service Charges-MVTV	20	364	404	60	400	400	0.0%	400	0.0%
Total Charges for services	20	364	404	60	400	400	0.0%	400	0.0%
Use of money and property Investment Earnings	12,125	15,357	10,009	5,907	7,000	6,000	-14.3%	6,000	0.0%
Total Use of money and property	12,125	15,357	10,009	5,907	7,000	6,000	-14.3%	6,000	0.0%
Other Other Miscellaneous	505	179	63	4,375	-	-		-	
Total Other	505	179	63	4,375	-	-		-	
Capital asset disposal Capital Asset Disposal	14	-	-	-	-	-		-	
Total Capital asset disposal	14	-	-	-	-	-		-	
Total Mission Viejo Television Fund	144,906	155,924	152,681	154,773	147,400	150,400	2.0%	150,400	0.0%
Mission Viejo TV Capital Fund									
Taxes Franchise Taxes	-	-	-	-	-	140,000		280,000	100.0%
Total Taxes	-	-	-	-	-	140,000		280,000	100.0%
Total Mission Viejo TV Capital Fund	-	-	-	-	-	140,000		280,000	100.0%



2011-2013 Budget
Revenue by Fund, Major Category and Object



	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Animal Services Fund									
Licenses & permits Animal Licenses	343,475	362,155	444,610	476,102	459,750	458,200	-0.3%	458,200	0.0%
Animal Permits	430	1,750	1,741	3,044	2,100	6,000	185.7%	6,000	0.0%
Total Licenses & permits	343,905	363,905	446,351	479,146	461,850	464,200	0.5%	464,200	0.0%
Intergovernmental Intergovtl-State Grants	-	-	-	469	-	-		-	
Total Intergovernmental	-	-	-	469	-	-		-	
Charges for services Animal Shelter Fees & Charges	111,680	118,230	138,662	136,650	148,265	157,500	6.2%	157,500	0.0%
Animal Svcs-Intergovtl Svc Chg	327,735	394,930	602,237	428,006	542,105	545,000	0.5%	545,000	0.0%
Library Fees	-	63	-	-	-	-		-	
Total Charges for services	439,415	513,223	740,899	564,656	690,370	702,500	1.8%	702,500	0.0%
Fines and forfeitures Other Fines	25,769	28,257	49,506	63,173	37,050	51,100	37.9%	51,100	0.0%
Forfeitures	-	-	-	5,735	-	-		-	
Total Fines and forfeitures	25,769	28,257	49,506	68,908	37,050	51,100	37.9%	51,100	0.0%
Use of money and property Investment Earnings	64,329	92,368	62,709	(5,411)	30,000	23,000	-23.3%	23,000	0.0%
Rents & Concessions	7,208	17,214	17,352	17,532	17,200	17,500	1.7%	17,500	0.0%
Total Use of money and property	71,537	109,582	80,061	12,121	47,200	40,500	-14.2%	40,500	0.0%
Other Reimbursements	3,045	-	-	-	-	-		-	
Donations	15,929	350,299	55,263	12,364	5,000	5,000	0.0%	5,000	0.0%
Other Miscellaneous	2,146	2,234	1,688	1,604	1,500	500	-66.7%	500	0.0%
Total Other	21,120	352,533	56,951	13,968	6,500	5,500	-15.4%	5,500	0.0%
Capital asset disposal Capital Asset Disposal	-	-	770	(188)	-	-		-	
Total Capital asset disposal	-	-	770	(188)	-	-		-	
Total Animal Services Fund	901,746	1,367,500	1,374,538	1,139,080	1,242,970	1,263,800	1.7%	1,263,800	0.0%
Total Enterprise Fund Group	1,046,652	1,523,424	1,527,219	1,293,853	1,390,370	1,554,200	11.8%	1,694,200	9.0%
Trust Fund Group									
Fire Safe Council Fund									
Use of money and property Investment Earnings	33	41	4	-	-	-		-	
Total Use of money and property	33	41	4	-	-	-		-	
Total Fire Safe Council Fund	33	41	4	-	-	-		-	
Total Trust Fund Group	33	41	4	-	-	-		-	
Total Revenues	70,035,754	70,749,726	69,105,819	64,727,015	60,757,847	62,149,586	2.3%	65,492,776	5.4%

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CITY OF MISSION VIEJO
Explanation of Revenue Sources, 2011-13



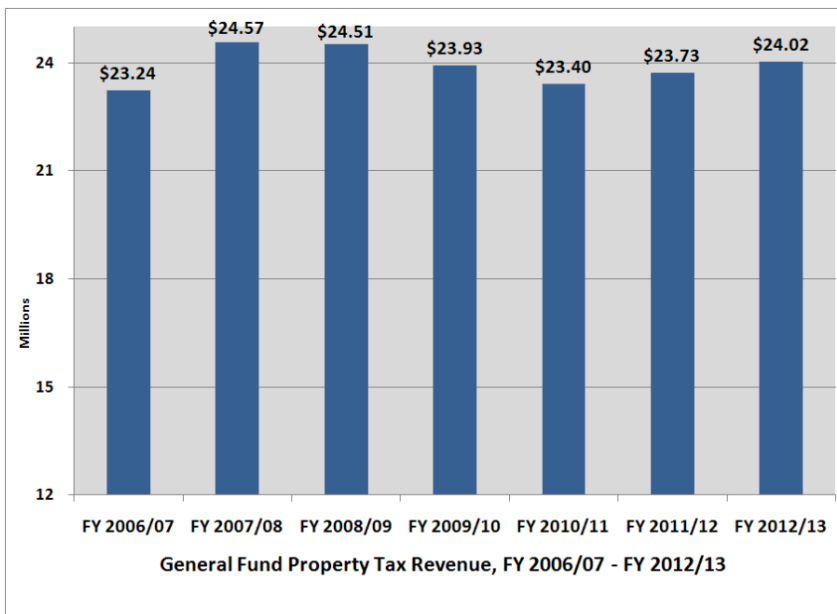
GENERAL FUND GROUP REVENUES

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 2011/12 General Fund property tax revenue is projected to be \$23.73 million, which represents 49.7% of total General Fund revenue. The following year, General Fund property tax is projected to be \$24.02 million, or 49.6% of total General Fund revenue. The amount of property tax revenue recorded in the General Fund represents 38.2% and 36.7% of total City revenues in FY 2011/12 and FY 2012/13, respectively.



Total property tax revenue – which is comprised of property tax proceeds recorded in the General Fund and the Library Services Fund – represents 40.6% of total revenue for the 2011-13 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 stabilized after several years of decline. The City's total assessed value of property (secured and unsecured) as of January 1, 2011, is approximately \$13.16 billion. This amount represents a slight increase of 0.41% over the prior fiscal year. Changes to total assessed value directly impact the amount of property tax revenue the City receives.

Property tax revenue is projected to increase 1.4% in FY 2011/12 over the adopted FY 2010/11 budget and 1.2% in FY 2012/13. While these changes are modest, they represent the first increases in property tax revenue since FY 2007/08. The worst recession in over seventy years dramatically impacted the real estate market. After a 5.7% increase in property tax revenue in FY 2007/08, the City of Mission Viejo saw three successive years of declines.

As the economy improves, so should the real estate market. Staff, with the help of its property tax consultants, will continue to monitor property tax revenue.

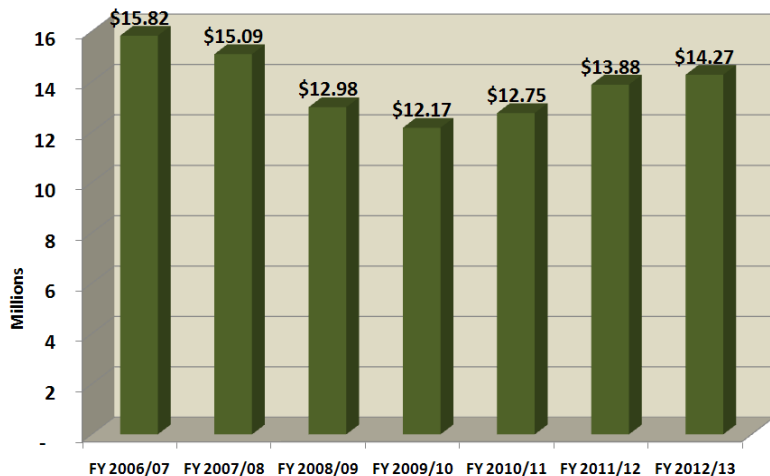
Sales and Use Taxes

Sales and use tax revenue is the second largest revenue source for the City, behind property tax revenue. Sales tax revenue represents 29.1% of total General Fund revenue for FY 2011/12 and 29.5% for FY 2012/13.

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.



CITY OF MISSION VIEJO Explanation of Revenue Sources, 2011-13



General Fund Sales and Use Tax, FY 2006/07 - FY 2012/13

Under this new 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. At that point in time, the City will again receive the full 1% of total sales tax collected from point of sales transactions within its jurisdiction.

Sales tax revenue estimates are based on input from the City’s sales tax consultant, past revenue trends and retail sales projections of

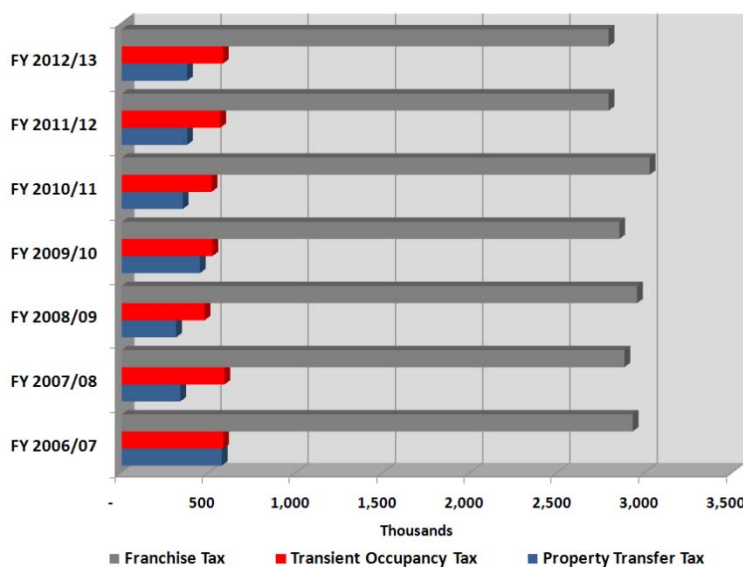
anticipated new retailers within the City. Local retail activity has picked up over the past year as the economy begins a slow recovery. Sales tax is expected to increase by 8.8% in FY 2011/12 from FY 2010/11 budget levels, to \$13,880,000. Sales tax revenue is projected to be \$14,271,000 in FY 2012/13, an increase of 2.8% over the prior fiscal year as projections anticipate continued, albeit slow, economic growth.

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 \$2,040,000 in FY 2011/12 and will grow to \$2,071,000 by FY 2012/13. 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 \$2,790,000 for the City during FY 2011/12, with the same amount projected for FY 2012/13. The franchise revenue received from utilities (gas and electricity) has declined due to lower usage.

Other than a one-time payment from the City’s franchised trash hauler in FY 2010/11, franchise tax revenue has remained relatively stable over the last several years (see graph at right, grey bars). This projection does not



assume any significant encroachment into the existing cable television franchise by new market participants or other significant impacts resulting from the 2006 Digital Infrastructure and Video Competition Act which shifts video franchising authority from local governments to the California Public Utilities Commission.



CITY OF MISSION VIEJO
Explanation of Revenue Sources, 2011-13



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 was severely impacted by the recession.

However, as the economy improves and leisure and business travel recovers to pre-recession levels, this source of revenue will see a modest increase over the next two years. For FY 2011/12, TOT revenue is projected to be \$565,000; in FY 2012/13 this is projected to increase to \$580,000. The projected revenue amount for FY 2012/13 represents a recovery which is close to pre-recession levels, when the City recorded \$589,199 in FY 2007/08.

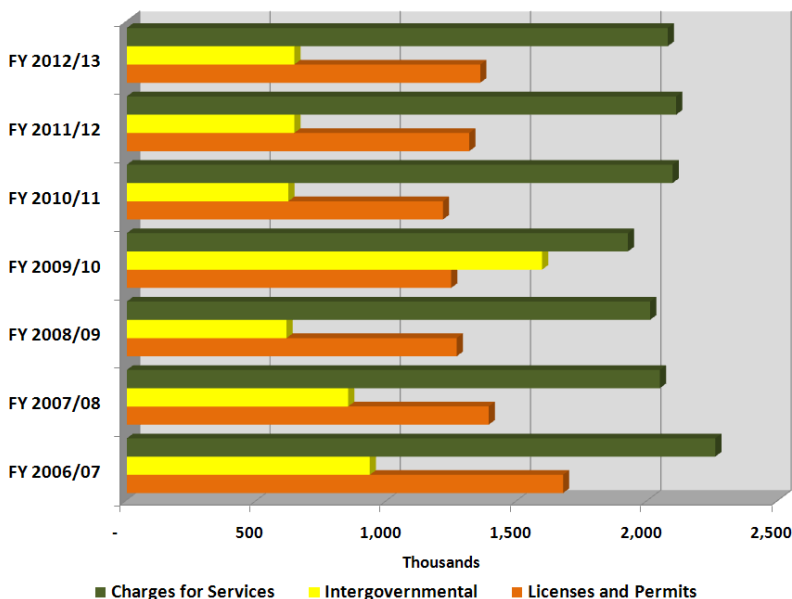
Property Transfer Tax

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, which had seen tremendous growth in recent years as the local housing market expanded, experienced serious declines resulting from the contraction of the real estate market.

This revenue source is projected to be \$375,000 for FY 2011/12, with no change projected for FY 2012/13. While this amount is approximately \$200,000 less than what the City received at the peak of the housing market run-up in FY 2006/07, it does represent an increase of 7.1% compared to the FY 2010/11 budgeted amount.

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 2011/12 is anticipated to be \$1,314,200, an 8.3% increase from the FY 2010/11 adopted budget. The following year, revenue is projected to increase 3.2% over FY 2011/12 to \$1,356,200. A recent cost recovery study, portions of which were approved by the City Council at the end of FY 2010/11, has helped align various permit and license fees with the actual cost of providing the service.

The projected growth in Licenses and Permits revenue is from an anticipated growth in building activity. As the economy continues its slow recovery, it is expected that commercial and residential improvements will increase, hence leading to additional development related revenue.



CITY OF MISSION VIEJO
Explanation of Revenue Sources, 2011-13



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.

The major item in the Intergovernmental revenue category is the appropriation of revenue received from the State motor vehicle license fee (VLF). The VLF is a tax imposed by the State on the ownership of a registered vehicle in place of taxing vehicles as personal property. This revenue stream is based on total VLF revenue received in the State, net of deductions for State operations, and apportioned to municipalities based on a city's population. For both years of the 2011-13 budget cycle, this revenue is projected to be \$374,000.

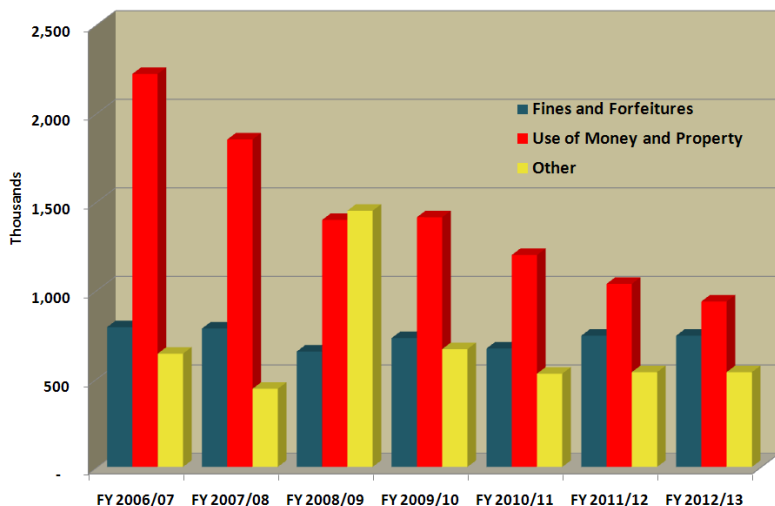
This is another category of revenue which has been impacted not only by the recession, but by State government actions. Back in FY 2004/05 the State permanently reduced the VLF fee. The revenue which local agencies would lose because of this reduction in the fee was "backfilled" through a new revenue stream: Property Tax In-Lieu of VLF. (This revenue source is recorded as part of the City's property tax revenue.) The recession has also negatively impacted this revenue stream as consumers hold off on purchasing vehicles. Compounding these effects has been recent actions by the State to apportion more of the VLF revenue for various State agency operations (e.g., Department of Motor Vehicles, State Controller), hence leaving a smaller total amount of revenue leftover which can be apportioned to local agencies.

In addition to VLF revenue, in both fiscal years there is \$50,000 budgeted in anticipated State Disaster Assistance. This revenue takes the form of subventions related to storm damage or other disasters affecting the City. The estimate for total Intergovernmental revenue in each fiscal year is \$642,800.

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 2011/12 is projected to be \$2,167,820 a 3.5% increase over the FY 2010/11 adopted budget. The recent cost recovery study approved by the City Council at the end of FY 2010/11 increased certain Recreation and Community Services and Library fees. In addition, development revenue is projected to increase due to the anticipated UDR and Watermark housing projects. Revenue for FY 2012/13 is expected to be \$2,135,320, a 1.5% decrease over the prior year, once the one-time development revenues from FY 2011/12 are factored out.



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. Revenue in FY 2011/12 is expected to increase 10.8% from the prior year to \$741,000. Two categories account for this increase: vehicle code fines and parking penalties. An updated analysis of prior year receipts suggested vehicle code fines should be budgeted at \$550,000; this is a \$50,000 increase over the FY 2010/11 adopted budget. Parking fines were recently increased, accounting for an additional \$30,000 in projected revenue. Total Fines and Forfeitures revenue is projected to be the same (\$741,000) in FY 2012/13.



CITY OF MISSION VIEJO
Explanation of Revenue Sources, 2011-13



Use of Money & Property

Interest earnings and rents and concessions comprise this category of revenue, with anticipated revenue budgeted at \$1,034,050 for FY 2011/12, a 13.6% decrease from the FY 2010/11 budget. A decline of 9.6% is projected in FY 2012/13 with an estimate of \$934,550. This decrease reflects the current and continued low interest rate environment. The rent and concession portion of this revenue category, reflecting recent cost recovery changes approved at the end of FY 2010/11 by the City Council, is projected to grow by 8.4% in FY 2011/12, providing \$728,050 in revenue for each of the next two fiscal years.

Miscellaneous Revenue

This revenue source includes reimbursements for special events, workers compensation insurance, certain Community Development Agency administrative expenses, and the Nadadores Swim Team share of facility expenses. The adopted budget is \$535,400 in each fiscal year for this revenue category.

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

This fund is used to record various computer, equipment, furnishings and vehicle assets, as well as the expenditures related to replacing these assets. In addition, it 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 based on meeting a target funding rate which equals 100% of accumulated depreciation of the current inventory. Contributions to the CEFV fund are made from the General Fund and are recorded as interfund transfers. In an effort to continue to provide core municipal services to residents at levels they have come to expect, and in order to maintain the General Fund Contingency Reserve, Software Replacement Reserve and unappropriated General Fund balance at adequate levels, only a minimal \$500,000 contribution to the CEFV fund will be made in FY 2011/12 and no contribution will be made in FY 2012/13. This fund is currently only at 68% of accumulated depreciation.

FACILITY REHABILITATION AND REPLACEMENT FUND

This fund is used to account for the accumulation of resources and expenditure of appropriations for 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.

The target funding level for this fund is 50% of accumulated depreciation of the assets in the fund; the other 50% of funding comes directly from the General Fund. Contributions into the fund are recorded as interfund transfers from the General Fund. However, transfers are being suspended for the 2011-13 budget cycle, for the same reasons as stated for the CEFV fund above. This fund is currently funded at 34% of accumulated depreciation.

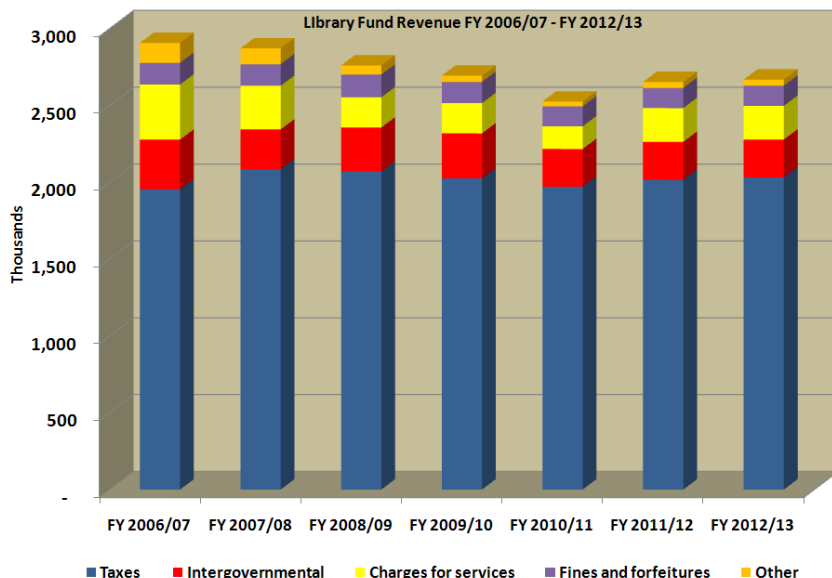
SPECIAL REVENUE FUND GROUP

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 2011/12 is projected to be \$2,652,500; for FY 2012/13 it is projected to increase slightly to \$2,667,500. The majority of revenue used for Library operations comes from property tax: \$2,017,000 (76.0%) in FY 2011/12 and \$2,032,000 in FY 2012/13 (76.2%).



CITY OF MISSION VIEJO
Explanation of Revenue Sources, 2011-13



The revenue projections for FY 2011/12 include (in addition to property tax): \$142,000 in State funding; \$152,500 in Library fees; \$131,000 in Library fines; \$104,000 from the Mission Viejo Community Development Agency pursuant to a tax sharing agreement, and additional revenue from a variety of other sources.

Given the uncertainty of State finances, there is a possibility that local municipal libraries across California will not receive their anticipated share of State library subventions. Staff is monitoring legislation which could affect this source of funding and will recommend adjustments during the 2011-13 budget cycle if necessary.

In FY 2011/12, the Library will receive \$67,000 in development related fees from

the Lennar housing project. This one-time revenue will be used for a capital improvement project focusing on the Library's community room.

OCTA FUND EXCHANGE FUND

The City of Mission Viejo and other local jurisdictions, including the Orange County Transportation Authority (OCTA), entered into an agreement in 1995 supporting legislation to affect an acceptable plan of adjustment in the 1994 Orange County bankruptcy case. State legislation provided for a shift of OCTA sales tax revenue to the County of Orange and of fuel tax revenue to OCTA from the County of Orange. This agreement also asked cities to exchange General Fund revenue (earmarked for Measure M eligible transportation projects) for OCTA fuel tax revenues as part of the cooperative effort. The OCTA Gas Tax Exchange Fund represents Mission Viejo's participation in this agreement. The City's exchange amount for both FY 2011/12 and FY 2012/13 is estimated at \$1,700,000, a 1.0% increase over the FY 2010/11 adopted budget.

GAS TAX FUNDS

The State of California assesses a tax on gasoline purchases as authorized by Sections 2105, 2106, 2107 and 2107.5 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 \$1,577,250 for fiscal years 2011/12 and 2012/13.

In addition, the State of California eliminated the State Traffic Congestion Relief program (Proposition 42) and replaced those funds with a new excise tax on fuel. The Proposition 42 revenues were previously deposited into a separate fund for reporting purposes. However, since the new excise tax is a "gas tax," proceeds are now recorded in the State Gas Tax Fund, along with the Section 2105 et al revenue. For fiscal years 2011/12 and 2012/13, this excise tax revenue is anticipated to be \$1,117,000. Along with interest earnings, total annual revenue in the State Gas Tax fund is projected to be \$2,714,250.

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.

TRANSPORTATION FUNDS

The City relies on a variety of outside funding for street-related capital projects. In addition to the State gas tax, Orange County Transportation Authority (OCTA), Federal, State, and developer funding is available for the construction and improvement of major streets. For FY 2011/12, a total of \$2.9 million is expected from these revenue sources, and for FY 2012/13, \$6.3 million is projected. This revenue will be utilized to fund a variety of street projects over the two-year budget period.



CITY OF MISSION VIEJO *Explanation of Revenue Sources, 2011-13*



The largest of these funding sources is revenue from Measure M2 sales tax and Measure M2 related competitive grants. 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. The City also competes with other Orange County cities for additional funds for specific projects (i.e., competitive grants). Mission Viejo anticipates receiving \$1,257,000 and \$1,335,250 in Measure M2 local apportionment/sales tax funds during FY 2011/12 and FY 2012/13, respectively. In addition, through the competitive grant program called Arterial Capacity Enhancement (ACE) the City anticipates receiving an additional \$1,645,000 in FY 2011/12 and \$4,959,000 in FY 2012/13.

SAFE ROUTES TO SCHOOL FUND

In FY 2011/12 the City is receiving \$492,000 in funding from the Federal Safe Routes to School (SRTS) program. This 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.

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. The FY 2011/12 adopted budget of \$122,000 reflects a 3.8% increase from the prior year budget. The City's per capita share is expected to remain constant in FY 2012/13.

SENIOR CENTER OPERATING FUND

This fund receives revenue collected from the operation of the Norman P. Murray Senior and Community Center (e.g., class fees, room rentals, etc.). These funds are used for activities at the Senior Center which are focused on senior citizens. Total revenues are expected to be \$101,650 in FY 2011/12 and FY 2012/13, an increase of 4.6% from the FY 2010/11 adopted budget. This increase reflects recent cost recovery changes approved by the City Council which increased certain room rental rates.

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 \$441,156 in each fiscal year of the 2011-13 adopted budget, a decline of 35.5% from the prior year. 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. Staff, along with the City's CDBG consultant, will continue to monitor this revenue source closely as additional efforts at the Federal level to reduce expenditures will likely impact CDBG funding in future years.

DEBT SERVICE FUND GROUP

MISSION VIEJO MALL PARKING LEASE FUND

As discussed earlier in the Sales Tax section, in 1997 the City and the 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 2011/12, \$1,224,000 is expected from this



CITY OF MISSION VIEJO
Explanation of Revenue Sources, 2011-13



source, an increase of 17.0% from the prior year budget. For FY 2012/13, \$1,324,000 is expected, an increase of 8.2%. 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 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 above). 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 both fiscal years in the 2011-13 adopted budget, MVTV projected revenue is \$150,400, a 2.0% increase over the FY 2010/11 adopted budget.

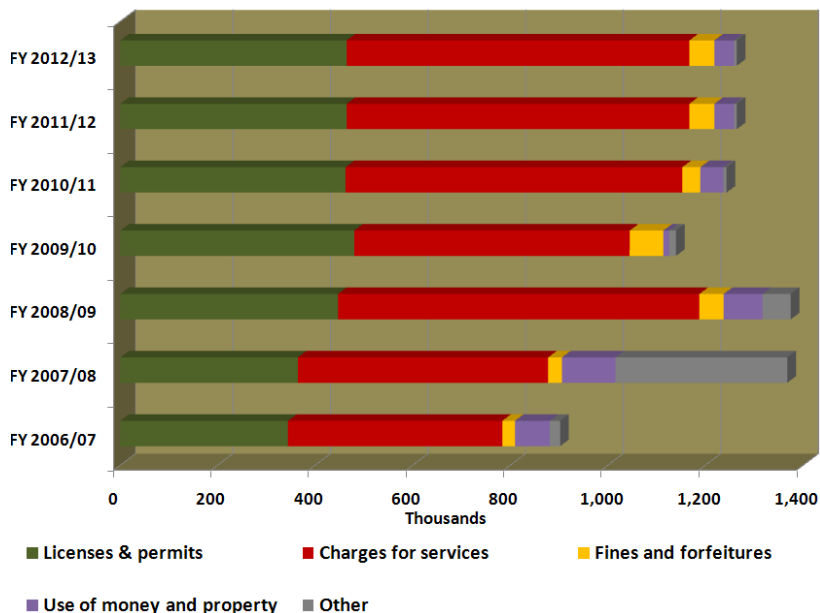
MISSION VIEJO TV CAPITAL FUND

The Mission Viejo TV Capital Fund will account for a new source of revenue beginning 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 new assessment is restricted to capital equipment purchases. Given the timing of the start of the new franchise agreements with Cox Cable and AT&T, the projected revenue for FY 2011/12 is a six month estimate of \$140,000. The following year includes a full year of revenue, projected to be \$280,000.

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.

Revenue for FY 2011/12 is estimated to be \$1,263,800, a 1.7% increase over FY 2010/11. This increase is due primarily to additional licensing activity. Projected revenue includes: \$464,200 in licensing and permit revenue – a 0.5% increase; \$702,500 in charges for services (shelter fees and charges; and Laguna Niguel and Aliso Viejo's share of net operating costs and capital expenses) – a 1.8% increase; \$51,100 in fines, \$23,000 in investment earnings, \$17,900 in lease revenue from the neighboring veterinary clinic, and \$5,500 in donations and other revenue. Total Animal Services fund revenue for FY 2012/13 is projected to remain the same (\$1,263,800).





CITY OF MISSION VIEJO 2011-13 Operating Budget Summary



Introduction

The General Fund finances the majority of the City's operations: police patrols, park maintenance, recreational classes, road repair, etc. For example, during the 2011-13 budget cycle, 86% of the City's total operating budget is funded by the General Fund. Library fund appropriations, gas taxes, Community Development Block Grants, the two Mission Viejo Television (MVTV) funds, and the Animal Services enterprise fund comprise the remainder of all operating appropriations.

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: personnel services, operating, capital outlay, debt service, and transfers. These categories represent the building blocks of the City's budget and serve as the foundation for internal budgetary controls.

Personnel services record costs associated with full-time and temporary employee salaries, overtime, health benefits, and retirement expenses. Operating expenditures include appropriations for professional services contracts, repair and maintenance expenditures, office supplies, professional membership dues, utility costs (e.g., water and electricity), training and conferences, etc. Appropriations for capital outlay provide for the purchase of vehicles, equipment, improvements to facilities and computers. General Fund debt service appropriations are for annual payments on the bonds used to construct the library and city hall facilities. The appropriation category of transfers records inter-fund transfers such as the Animal Services and Library and Cultural Services subsidies from the General Fund.

Trends in Expenditure Categories

Since the City of Mission Viejo is a "contract city," the majority of appropriations in any given fiscal year are for services and supplies (e.g., public safety, landscape and street maintenance, and building and planning support). The 2011-13 adopted budget provides approximately 70% of total appropriations for the services and supplies category. Of the FY 2011/12 total budget, \$38.3 million is appropriated for services and supplies, a 2.6% decrease from FY 2010/11. Services and supplies appropriations increase slightly in FY 2012/13 to \$38.9 million, a 1.6% increase over FY 2011/12.

The "contract city" model of expenditures can be further seen in the percentage of total appropriations attributable to personnel services. For the 2011-13 budget, personnel services averages 28% of total operating appropriations. The amount budgeted for personnel services in FY 2011/12 is 2.6% less than FY 2010/11. For FY 2012/13, personnel services costs will decline an additional 1.6%. The elimination of eight positions in the 2011-13 adopted budget was the primary factor in reducing personnel expenditures. In addition, the maintenance of a hiring freeze, coupled with the suspension of merit adjustments and the increase in the amount each employee pays towards their retirement has further assisted in reducing personnel expenditures. In addition, the City Council recently approved a two-tiered retirement program for new hires, which will further reduce future retirement costs.



CITY OF MISSION VIEJO 2011-13 Operating Budget Summary



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 computer equipment. The 2011-13 budget contains no appropriations for facilities rehabilitation and only a small portion of the total equipment replacement needs. However, it is planned that some appropriations will be available during FY 2011/12 for rehabilitation efforts and additional equipment replacement. In any given year, the amount of the operating budget spent on capital outlay is around one percent of total operating appropriations.

The debt service costs represent the fixed rate debt service for the library and city hall facility bonds, which were recently defeased, lowering total debt payments. The balance of debt service costs is accounted for as an operating transfer to the Community Development Financing Authority (CDFA). There is a section on Debt Administration in the appendices with greater detail on the City's debt obligations.

Trends in Program Area Expenditures

Overall, FY 2011/12 appropriations are 3.2% less than FY 2010/11. The FY 2012/13 adopted budget maintains appropriations at prior year levels, showing a modest 0.8% increase. The City has once again reduced expenditures in order to maintain a balanced budget and to keep discretionary reserves above the 50% City Council mandated threshold.

The \$110.7 million in appropriations for 2011-13 are spread amongst the seven broad program areas: General Government – Legislative, General Government – Management and Support, Public Safety, Community Development, Engineering and Transportation, Infrastructure Maintenance, and Recreation, Community and Library Services.

The Public Safety program area represents the largest expenditure category – by percentage and total dollar – of the City's budget. This program area accounts for the police services contract with the Orange County Sheriff's Department (OCSD), as well as Animal Services, Crossing Guards, and street lighting. The Public Safety program area accounts for approximately 33% of the total 2011-13 operating budget. In FY 2011/12, Public Safety appropriations total \$18.2 million; for FY 2012/13 they are \$18.5 million.

The next largest appropriations category is related to Infrastructure Maintenance – slope and park landscape maintenance as well as infrastructure repair and maintenance. This program area accounts for 25% of the City's total operating budget (i.e., \$13.8 million and \$13.9 million in FY 2011/12 and FY 2012/13 respectively).

Recreation, Community and Library Services comprises 13% of the 2011-13 adopted budget. The \$14.5 million in appropriations in the two-year budget provides funding for the many special events such as Arts Alive and the Reading Festival, as well as operation of the Library and community centers seven days a week.

The other four program areas comprise the remaining 29% of the City's operating budget. These program areas provide planning and building permit services, information technology support, legal services, management of the Mission Viejo Cable Television (MVTV) local access channel, and a host of internal support functions such as budget preparation, accounting services, and human resources support.



CITY OF MISSION VIEJO *2011-13 Operating Budget Summary*



Cost Allocation and Fee Study Updates

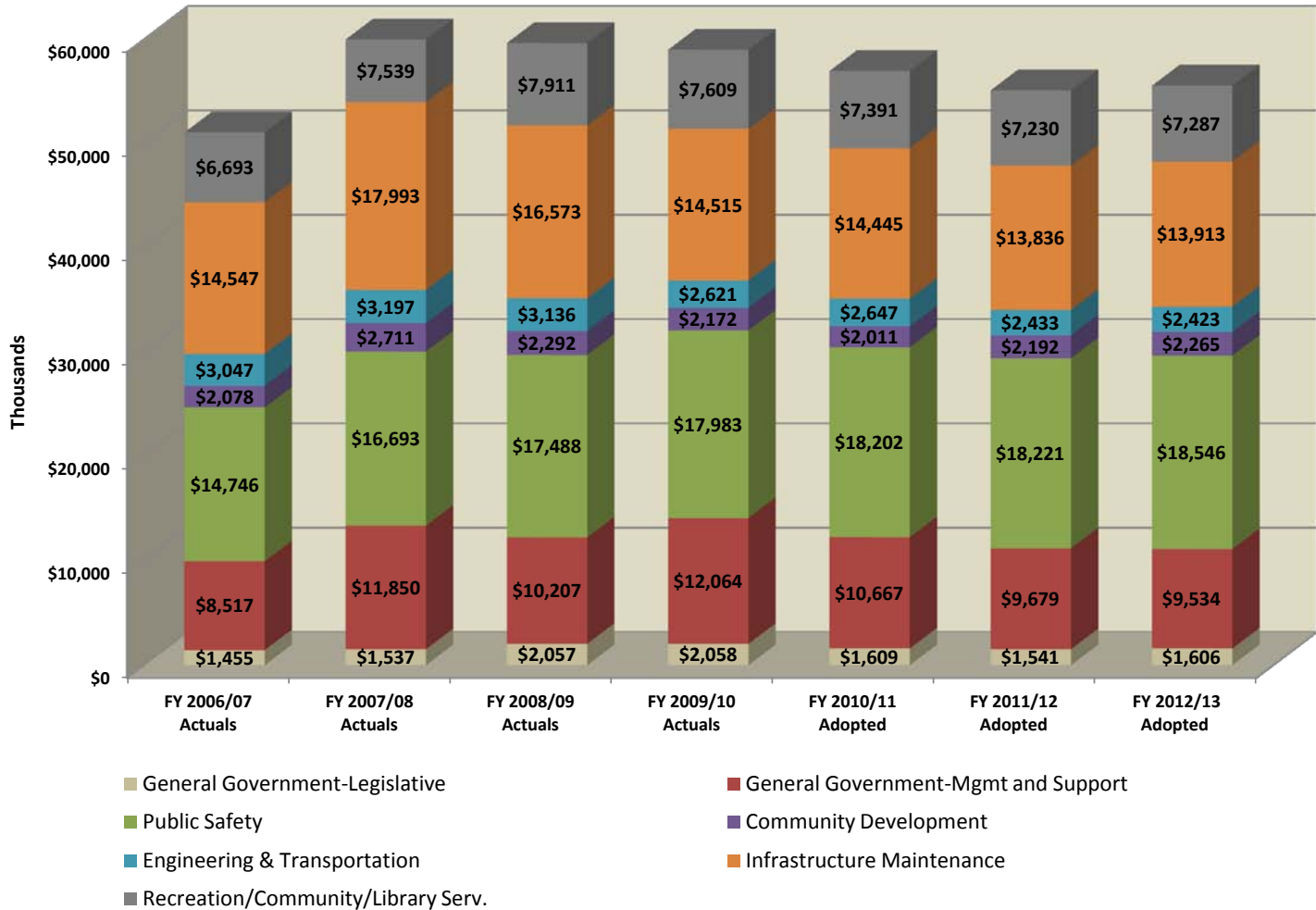
The City of Mission Viejo conducts cost allocation and fee study reviews on a regular basis. The City just recently completed an update of its fee schedule and cost allocation plan in July, 2011. This project allowed the City to adjust certain recreation, library, and building fees to increase cost recovery. This effort also allowed the Library and Cultural Services Department to begin cost recovery efforts for certain activities where no fees were previously charged.

Mission Viejo does not use internal service funds and does not charge cost allocation to its enterprise funds (i.e., Animal Services or Mission Viejo Television). However, the General Fund does receive indirect cost reimbursement from the Community Development Agency (CDA). This amount is adjusted annually and was recently updated to reflect the findings of the latest cost allocation study.

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2011-2013 Budget Operating Budget by Program Area, All Funds

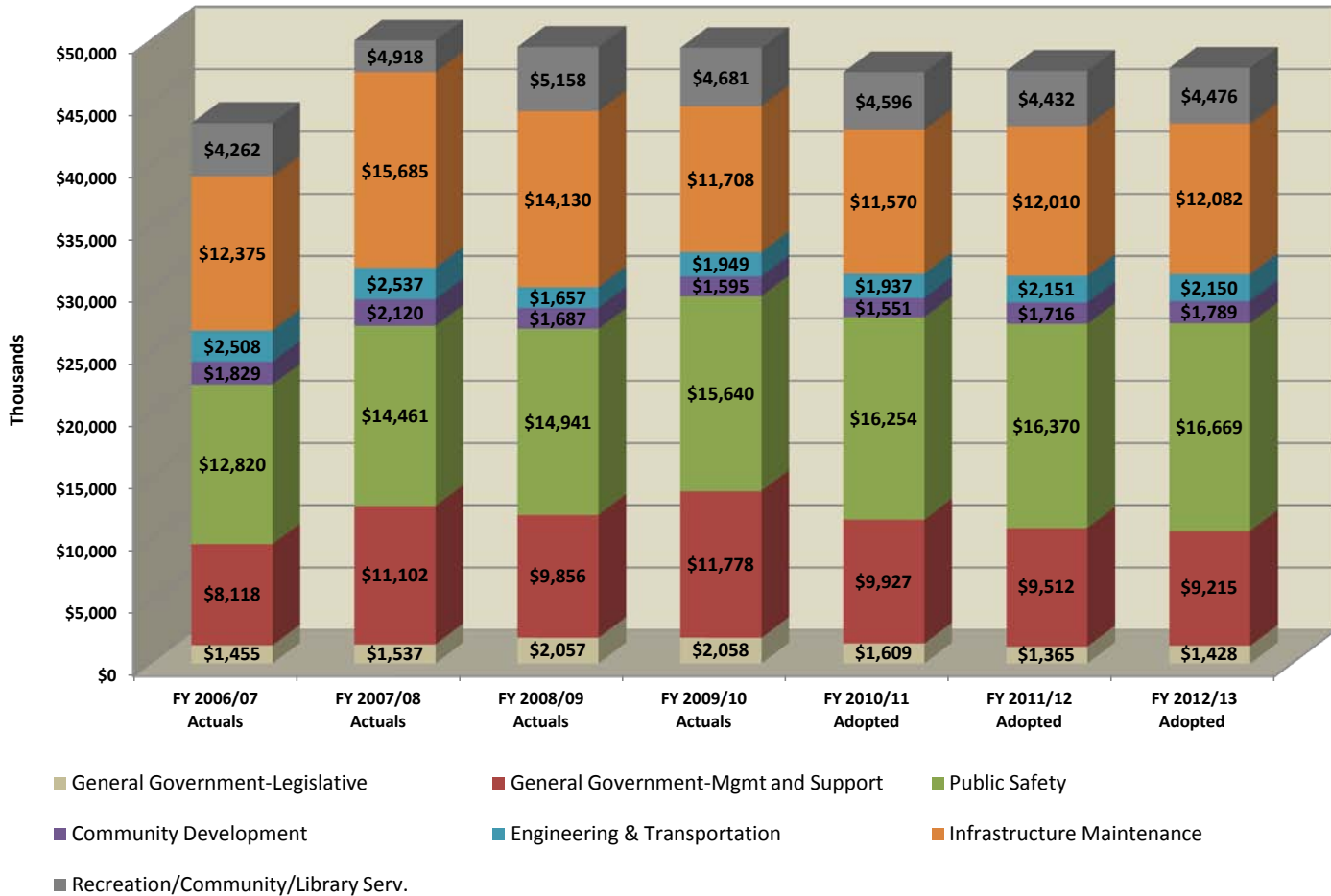


Operating Budget by Program Area, All Funds

	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
General Government-Legislative	1,454,652	1,536,516	2,057,339	2,057,559	1,609,193	1,541,151	-4.2%	1,606,495	4.2%
General Government-Mgmt and Support	8,517,363	11,849,833	10,206,524	12,063,839	10,667,470	9,678,672	-9.3%	9,533,980	-1.5%
Public Safety	14,745,923	16,692,546	17,488,227	17,982,896	18,201,704	18,221,057	0.1%	18,546,022	1.8%
Community Development	2,078,154	2,710,577	2,291,958	2,172,410	2,011,287	2,191,959	9.0%	2,265,020	3.3%
Engineering & Transportation	3,046,503	3,197,308	3,135,610	2,621,354	2,647,104	2,432,902	-8.1%	2,423,406	-0.4%
Infrastructure Maintenance	14,547,355	17,992,830	16,572,825	14,515,060	14,444,534	13,836,442	-4.2%	13,913,208	0.6%
Recreation/Community/Library Serv	6,692,563	7,538,920	7,910,636	7,609,245	7,390,775	7,230,116	-2.2%	7,286,792	0.8%
Total Operating Budget	51,082,513	61,518,530	59,663,119	59,022,363	56,972,067	55,132,299	-3.2%	55,574,923	0.8%



2011-2013 Budget Operating Budget by Program Area, General Fund

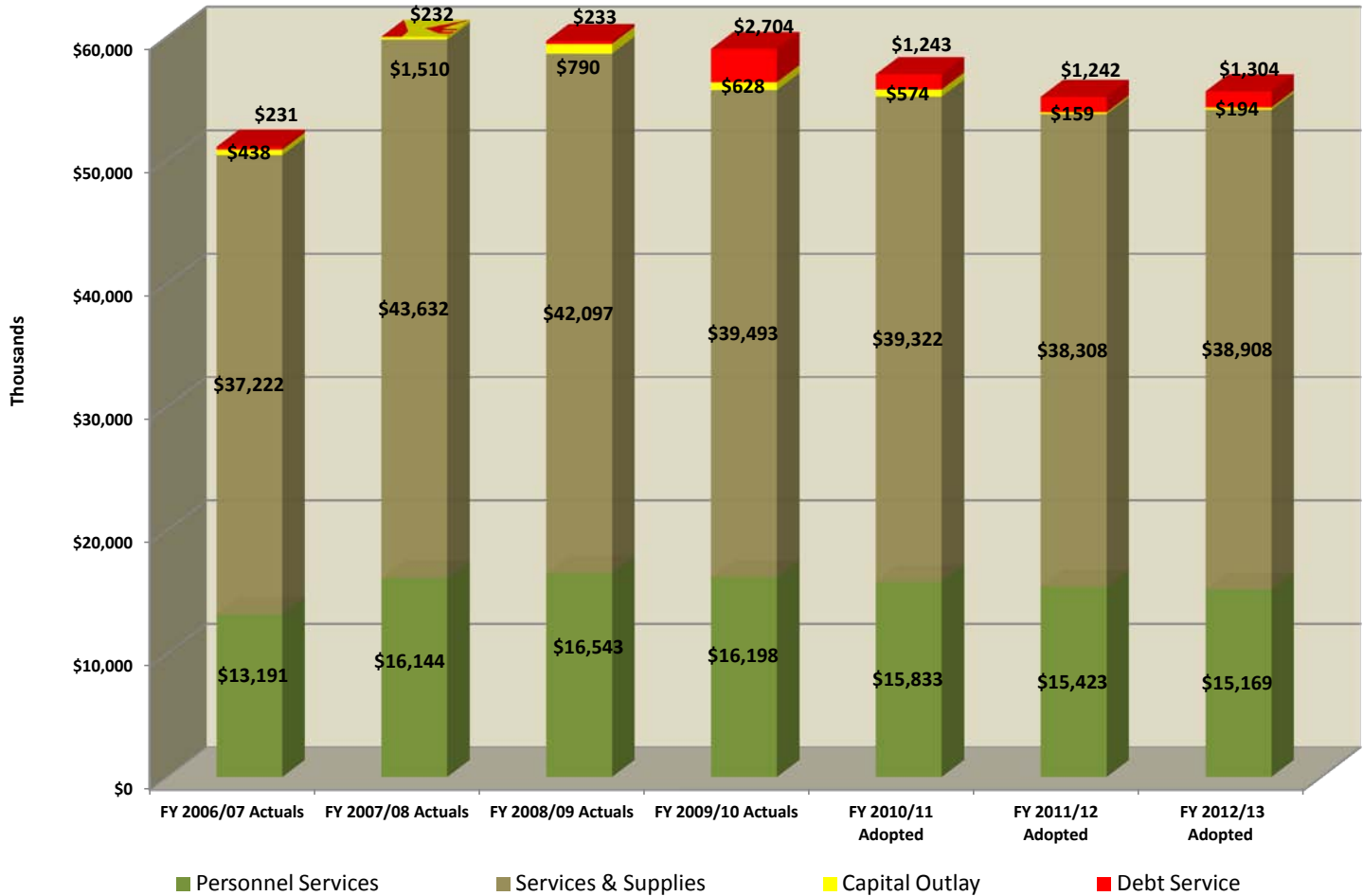


Operating Budget by Program Area, General Fund

	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
General Government-Legislative	1,454,652	1,536,516	2,057,339	2,057,559	1,609,193	1,364,791	-15.2%	1,427,670	4.6%
General Government-Mgmt and Support	8,118,197	11,102,009	9,855,869	11,777,909	9,927,021	9,511,811	-4.2%	9,214,988	-3.1%
Public Safety	12,820,113	14,461,314	14,940,518	15,640,007	16,254,319	16,369,541	0.7%	16,668,882	1.8%
Community Development	1,829,026	2,120,385	1,687,101	1,594,640	1,551,269	1,716,407	10.6%	1,789,290	4.2%
Engineering & Transportation	2,507,817	2,536,743	1,657,272	1,949,366	1,937,014	2,150,902	11.0%	2,150,206	0.0%
Infrastructure Maintenance	12,374,910	15,685,251	14,129,620	11,707,725	11,569,726	12,010,252	3.8%	12,081,918	0.6%
Recreation/Community/Library Serv	4,261,547	4,917,539	5,158,326	4,681,040	4,595,506	4,432,446	-3.5%	4,476,109	1.0%
Total Operating Budget	43,366,262	52,359,757	49,486,045	49,408,246	47,444,048	47,556,150	0.2%	47,809,063	0.5%



2011-2013 Budget Operating Budget by Major Category



Operating Budget by Major Category

	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	13,190,922	16,143,998	16,542,719	16,198,245	15,832,857	15,423,183	-2.6%	15,168,727	-1.6%
Services & Supplies	37,222,491	43,631,965	42,097,374	39,492,516	39,322,347	38,308,116	-2.6%	38,908,196	1.6%
Capital Outlay	437,795	1,510,069	789,676	628,025	574,000	159,000	-72.3%	194,000	22.0%
Debt Service	231,305	232,498	233,350	2,703,577	1,242,863	1,242,000	-0.1%	1,304,000	5.0%
Total Operating Budget	51,082,513	61,518,530	59,663,119	59,022,363	56,972,067	55,132,299	-3.2%	55,574,923	0.8%



**2011-2013 Budget
Operating Budget by Program Area and Fund
Summary Table**



FY 2011/12 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	1,364,791	9,511,811	16,369,541	1,716,407	2,150,902	12,010,252	4,432,446	47,556,150
Library		29,900				363,520	2,664,840	3,058,260
OCTA Fund Exchange			402,500			1,273,755		1,676,255
State Gas Tax					282,000			282,000
Gas Tax 2107.5		1,500						1,500
Air Quality Improvement		2,250		45,000				47,250
Sr. Center Operations							132,830	132,830
Community Development Block Grant		10,595		430,552				441,147
Mission Viejo Cable Television	146,360	1,000				35,715		183,075
Mission Viejo TV Capital Fund	30,000							30,000
Animal Services		121,616	1,449,016			153,200		1,723,832
	1,541,151	9,678,672	18,221,057	2,191,959	2,432,902	13,836,442	7,230,116	55,132,299

FY 2012/13 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	1,427,670	9,214,990	16,668,882	1,789,290	2,150,206	12,081,918	4,476,109	47,809,065
Library		180,000				368,520	2,670,368	3,218,888
OCTA Fund Exchange			402,500			1,273,855		1,676,355
State Gas Tax					203,000			203,000
Gas Tax 2107.5		1,500						1,500
Air Quality Improvement		2,350		45,000	70,200			117,550
Sr. Center Operations							140,315	140,315
Community Development Block Grant		10,623		430,730				441,353
Mission Viejo Cable Television	148,825	1,000				35,715		185,540
Mission Viejo TV Capital Fund	30,000							30,000
Animal Services		123,516	1,474,640			153,200		1,751,356
	1,606,495	9,533,979	18,546,022	2,265,020	2,423,406	13,913,208	7,286,792	55,574,922



**2011-2013 Budget
Operating Budget by Department and Fund
Summary Table**



FY 2011/12 Operating Budget

Fund	Department										Total
	City Council/City Attorney	City Manager	Administrative Services	Community Development	Information Technology	Library and Cultural Services	Police	Public Services	Public Works	Recreation and Community Services	
General	1,364,791	400,718	7,200,766	1,716,407	1,822,887	295,815	15,374,965	12,639,328	2,603,842	4,136,631	47,556,150
Library					29,900	2,664,840		363,520			3,058,260
OCTA Fund Exchange								1,676,255			1,676,255
State Gas Tax									282,000		282,000
Gas Tax 2107.5			1,500								1,500
Air Quality Improvement			2,250	45,000							47,250
Sr. Center Operations										132,830	132,830
Community Development Block Grant			10,595	430,552							441,147
Mission Viejo Cable Television	146,360				1,000			35,715			183,075
Mission Viejo TV Capital Fund	30,000										30,000
Animal Services			88,016		33,600			1,602,216			1,723,832
	1,541,151	400,718	7,303,127	2,191,959	1,887,387	2,960,655	15,374,965	16,317,034	2,885,842	4,269,461	55,132,299

FY 2012/13 Operating Budget

Fund	Department										Total
	City Council/City Attorney	City Manager	Administrative Services	Community Development	Information Technology	Library and Cultural Services	Police	Public Services	Public Works	Recreation and Community Services	
General	1,427,670	403,730	7,013,405	1,789,290	1,710,338	293,386	15,624,026	12,761,274	2,603,223	4,182,723	47,809,065
Library					180,000	2,670,368		368,520			3,218,888
OCTA Fund Exchange								1,676,355			1,676,355
State Gas Tax									203,000		203,000
Gas Tax 2107.5			1,500								1,500
Air Quality Improvement			2,350	45,000							117,550
Sr. Center Operations										140,315	140,315
Community Development Block Grant			10,623	430,730							441,353
Mission Viejo Cable Television	148,825				1,000			35,715			185,540
Mission Viejo TV Capital Fund	30,000										30,000
Animal Services			89,916		33,600			1,627,840			1,751,356
	1,606,495	403,730	7,117,794	2,265,020	1,924,938	2,963,754	15,624,026	16,469,704	2,876,423	4,323,038	55,574,922



2011-2013 Budget Operating Budget by Fund and Program Area



	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
General Fund									
General Government-Legislative									
City Council Department									
City Council Administration	302,633	324,951	656,866	285,029	265,203	236,955	-10.7%	227,572	-4.0%
Commissions	78,359	74,173	77,955	69,566	71,589	70,787	-1.1%	70,858	0.1%
Total City Council Department	380,992	399,124	734,821	354,595	336,792	307,742	-8.6%	298,430	-3.0%
City Clerk Department									
City Clerk Administration	93,618	112,443	103,220	82,916	87,904	91,300	3.9%	90,362	-1.0%
Council Support	75,826	84,071	87,959	74,122	75,151	79,579	5.9%	80,345	1.0%
Public Information	-	-	-	339,119	312,691	300,764	-3.8%	300,088	-0.2%
Records Management	147,252	144,768	158,435	144,741	145,799	119,748	-17.9%	120,069	0.3%
Elections	144,173	79,396	198,423	480,942	150,856	60,658	-59.8%	131,376	116.6%
Cable Television - CC	-	-	-	-	-	22,000	0.0%	22,000	0.0%
Total City Clerk Department	460,869	420,678	548,037	1,121,840	772,401	674,049	-12.7%	744,240	10.4%
City Attorney Department									
Legal Services	612,791	716,714	774,481	581,124	500,000	383,000	-23.4%	385,000	0.5%
Total City Attorney Department	612,791	716,714	774,481	581,124	500,000	383,000	-23.4%	385,000	0.5%
Total General Government-Legislative	1,454,652	1,536,516	2,057,339	2,057,559	1,609,193	1,364,791	-15.2%	1,427,670	4.6%
General Govt-Mgmt and Support									
City Manager Department									
City Manager Administration	480,254	541,183	558,467	613,826	561,982	400,718	-28.7%	403,730	0.8%
Public Information	184,253	251,903	239,470	-	-	-	-	-	-
Economic Development	69,979	163,622	125,913	94,627	122,501	-	-100.0%	-	0.0%
Cable Television	34,087	31,064	39,121	28,686	32,011	-	-100.0%	-	0.0%
Total City Manager Department	980,823	987,772	962,971	737,139	716,494	400,718	-44.1%	403,730	0.8%
Administrative Services Dept									
Administration	389,234	447,266	411,610	401,154	410,221	357,455	-12.9%	357,982	0.1%
Accounting and Payroll	548,311	614,022	607,108	616,046	611,527	534,661	-12.6%	465,109	-13.0%
Financial Planning and Budget	178,067	165,110	214,634	212,405	136,363	107,150	-21.4%	107,514	0.3%
Purchasing	101,877	167,501	187,214	166,738	114,231	100,682	-11.9%	101,660	1.0%
Human Resources	376,487	434,593	422,426	272,816	294,276	267,658	-9.0%	256,773	-4.1%
Treasury	337,498	361,489	321,523	319,978	309,758	341,119	10.1%	323,872	-5.1%
Risk Management	122,903	132,906	144,039	106,062	104,662	105,090	0.4%	105,366	0.3%
Interdepartmental	1,505,428	3,071,412	2,122,143	2,125,934	2,352,179	2,432,463	3.4%	2,283,125	-6.1%
Debt Service	242,460	241,772	243,609	2,714,989	1,251,463	1,254,800	0.3%	1,312,000	4.6%
OCTA Fund Exchange	1,860,000	1,956,000	2,075,000	2,075,001	1,674,970	1,700,000	1.5%	1,700,000	0.0%
Total Administrative Services Dept	5,662,265	7,592,071	6,749,306	9,011,123	7,259,650	7,201,078	-0.8%	7,013,401	-2.6%
Information Technology Deptmt									
Information Technology	1,426,893	2,449,540	2,041,524	1,673,890	1,878,647	1,822,887	-3.0%	1,710,338	-6.2%
Total Information Technology Deptmt	1,426,893	2,449,540	2,041,524	1,673,890	1,878,647	1,822,887	-3.0%	1,710,338	-6.2%
Public Works Department									
Integrated Waste Management	48,216	72,626	102,068	355,757	72,230	87,440	21.1%	87,517	0.1%
Total Public Works Department	48,216	72,626	102,068	355,757	72,230	87,440	21.1%	87,517	0.1%
Total General Govt-Mgmt and Support	8,118,197	11,102,009	9,855,869	11,777,909	9,927,021	9,512,123	-4.2%	9,214,986	-3.1%
Public Safety									
Police Services Department									
Police Administration	989,660	1,681,636	968,911	1,984,282	15,146,680	15,233,485	0.6%	15,482,546	1.6%
Patrol Services	6,144,765	6,103,226	6,841,124	6,663,096	-	-	-	-	-
Traffic	1,870,841	1,989,115	2,115,105	1,918,657	45,000	83,000	84.4%	83,000	0.0%
Crime Prevention	564,032	1,022,005	1,083,860	1,042,636	58,480	58,480	0.0%	58,480	0.0%
Investigation	1,060,787	1,282,200	1,423,095	1,452,323	-	-	-	-	-
Police Services Supervision	1,573,783	1,600,806	1,733,727	1,726,880	-	-	-	-	-
Parking Enforcement	176,571	199,503	215,841	202,046	-	-	-	-	-
Total Police Services Department	12,380,439	13,878,491	14,381,663	14,989,920	15,250,160	15,374,965	0.8%	15,624,026	1.6%
Public Works Department									
Crossing Guards	323,539	372,472	374,597	350,830	370,500	365,500	-1.3%	365,500	0.0%
Total Public Works Department	323,539	372,472	374,597	350,830	370,500	365,500	-1.3%	365,500	0.0%
Public Services Department									
Emergency Preparedness	116,135	210,351	184,258	186,611	163,629	158,976	-2.8%	159,356	0.2%
Street Lighting	-	-	-	112,646	470,030	470,100	0.0%	520,000	10.6%
Total Public Services Department	116,135	210,351	184,258	299,257	633,659	629,076	-0.7%	679,356	8.0%
Total Public Safety	12,820,113	14,461,314	14,940,518	15,640,007	16,254,319	16,369,541	0.7%	16,668,882	1.8%



2011-2013 Budget
Operating Budget by Fund and Program Area



	FY 2006/07	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	% Change	FY 2012/13	% Change
	Actuals	Actuals	Actuals	Actuals	Adopted	Adopted	from Prior	Adopted	from Prior
							Year		Year
Community Development									
Community Development Dept									
Community Development Admin	223,370	231,645	224,839	208,403	165,456	149,936	-9.4%	150,359	0.3%
Advanced Planning	143,701	460,301	178,874	178,945	149,044	157,614	5.7%	241,208	53.0%
Current Planning	244,800	301,955	283,177	212,078	214,784	237,842	10.7%	287,848	21.0%
Building	825,266	695,259	617,388	652,046	669,350	688,750	2.9%	693,750	0.7%
Code Enforcement	295,513	318,610	291,314	258,562	246,094	216,242	-12.1%	171,455	-20.7%
Economic Development	-	-	-	-	-	172,190	0.0%	170,025	-1.3%
Water Quality- Comm. Developmt	96,376	112,615	91,509	84,606	106,541	93,833	-11.9%	74,645	-20.4%
Total Community Development Dept	1,829,026	2,120,385	1,687,101	1,594,640	1,551,269	1,716,407	10.6%	1,789,290	4.2%
Total Community Development	1,829,026	2,120,385	1,687,101	1,594,640	1,551,269	1,716,407	10.6%	1,789,290	4.2%
Engineering & Transportation									
Public Works Department									
Public Works Administration	323,811	322,334	394,141	304,263	320,821	310,737	-3.1%	310,778	0.0%
Engineering	560,860	486,364	335,988	331,244	364,825	344,730	-5.5%	327,866	-4.9%
Inspection	369,545	385,911	203,297	382,162	233,020	225,100	-3.4%	226,322	0.5%
Water Quality - Public Works	511,929	512,582	447,959	472,981	569,917	490,851	-13.9%	494,831	0.8%
Transportation Planning	195,101	266,971	40,973	146,114	153,921	119,881	-22.1%	120,192	0.3%
Traffic Operations	188,634	271,533	81,383	179,371	135,266	94,536	-30.1%	94,782	0.3%
Traffic Safety	164,968	118,323	50,549	104,368	119,624	74,471	-37.7%	74,658	0.3%
Signal Maintenance	192,969	172,725	102,982	28,863	39,620	490,596	1138.3%	500,777	2.1%
Total Public Works Department	2,507,817	2,536,743	1,657,272	1,949,366	1,937,014	2,150,902	11.0%	2,150,206	0.0%
Total Engineering & Transportation	2,507,817	2,536,743	1,657,272	1,949,366	1,937,014	2,150,902	11.0%	2,150,206	0.0%
Infrastructure Maintenance									
Public Services Department									
Public Services Administration	245,833	133,183	200,958	217,871	311,008	196,683	-36.8%	197,402	0.4%
Street Maintenance	773,976	920,659	358,348	388,925	402,996	1,476,473	266.4%	1,477,424	0.1%
Fleet Maintenance	179,978	197,408	193,676	196,308	168,222	121,029	-28.1%	121,120	0.1%
Environmental Maintenance	848,379	918,176	720,039	762,121	677,305	659,656	-2.6%	660,238	0.1%
Parks Maintenance	5,105,216	7,147,583	6,231,015	5,247,759	5,326,584	5,283,758	-0.8%	5,393,446	2.1%
Medians and Parkways Maint	2,718,555	3,434,620	3,596,814	2,251,162	2,025,041	1,738,463	-14.2%	1,719,246	-1.1%
Urban Forestry	779,172	840,597	815,519	792,087	750,203	687,627	-8.3%	687,842	0.0%
Facilities Maintenance	595,205	668,961	553,009	468,775	431,627	438,222	1.5%	415,688	-5.1%
Facilities Maintenance-RecCtrs	525,113	598,674	481,885	445,850	433,036	413,129	-4.6%	413,418	0.1%
Fac Maint-Aqua/NPM/Ptki/Melnd	603,483	825,390	866,483	827,767	942,933	890,846	-5.5%	891,451	0.1%
Facilities Maintenance-Library	-	-	111,874	109,100	100,771	104,366	3.6%	104,643	0.3%
Total Public Services Department	12,374,910	15,685,251	14,129,620	11,707,725	11,569,726	12,010,252	3.8%	12,081,918	0.6%
Total Infrastructure Maintenance	12,374,910	15,685,251	14,129,620	11,707,725	11,569,726	12,010,252	3.8%	12,081,918	0.6%
Recreatn/Commnty/Library Svcs									
Recreatn & Community Svcs Dept									
Rec&Comm Services Admin	419,694	472,531	477,743	409,513	390,018	291,570	-25.2%	292,301	0.3%
Recreation	671,737	747,131	828,151	814,251	810,245	832,345	2.7%	832,674	0.0%
NPM Community and Sr Center	724,121	815,826	966,853	924,899	822,682	916,499	11.4%	845,095	-7.8%
Community Services	507,210	628,075	568,171	467,261	266,481	272,751	2.4%	273,057	0.1%
Montanoso Recreation Center	780,523	871,600	897,230	882,179	838,461	822,672	-1.9%	867,004	5.4%
Sierra Recreation Center	488,298	568,239	615,584	586,631	586,671	534,809	-8.8%	535,846	0.2%
Marguerite Tennis Center	201,473	220,345	240,429	283,275	296,038	293,835	-0.7%	294,230	0.1%
Felipe Tennis Center	368,374	361,436	321,112	249,299	263,008	172,150	-34.5%	242,516	40.9%
Total Recreatn & Community Svcs Dept	4,161,430	4,685,183	4,915,273	4,617,308	4,273,604	4,136,631	-3.2%	4,182,723	1.1%
Library Department									
Library Administration	-	-	17,244	-	-	-	-	-	-
Library Public Services	-	-	225,809	-	-	-	-	-	-
Cultural Services	-	-	-	63,732	321,902	295,815	-8.1%	293,386	-0.8%
Total Library Department	100,117	232,356	243,053	63,732	321,902	295,815	-8.1%	293,386	-0.8%
Total Recreatn/Commnty/Library Svcs	4,261,547	4,917,539	5,158,326	4,681,040	4,595,506	4,432,446	-3.5%	4,476,109	1.0%
Total General Fund	43,366,262	52,359,757	49,486,045	49,408,246	47,444,048	47,556,462	0.2%	47,809,063	0.5%



2011-2013 Budget
Operating Budget by Fund and Program Area



	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
CDA Admin Costs-Revolving									
<i>General Govt-Mgmt and Support</i>									
Administrative Services Admin	1	-	-	(2)	-	(314)		-	-100.0%
Accounting and Payroll	-	(1)	(1)	-	-	1		-	-100.0%
Treasury	-	3	1	1	-	-		2	
Total Administrative Services Dept	1	2	-	(1)	-	(313)		2	-100.6%
Total General Govt-Mgmt and Support	1	2	-	(1)	-	(313)		2	-100.6%

Community Development

Community Development Dept									
Housing	-	1	2	2	-	-		-	
Total Community Development Dept	-	1	2	2	-	-		-	
Total Community Development	-	1	2	2	-	-		-	
Total CDA Admin Costs-Revolving	1	3	2	1	-	(313)		2	-100.6%

Computer/Equip/Furn/Veh Repl

General Govt-Mgmt and Support

Administrative Services Dept									
Interdepartmental	20,947	54,185	-	-	65,000	-	-100.0%	-	
Total Administrative Services Dept	20,947	54,185	-	-	65,000	-	-100.0%	-	
Information Technology Deptmt									
Information Technology	50,519	385,303	25,398	21,964	200,000	-	-100.0%	-	
Total Information Technology Deptmt	50,519	385,303	25,398	21,964	200,000	-	-100.0%	-	
Total General Govt-Mgmt and Support	71,466	439,488	25,398	21,964	265,000	-	-100.0%	-	

Public Safety

Police Services Department									
Traffic	31,656	26,367	112,587	-	-	-		-	
Total Police Services Department	31,656	26,367	112,587	-	-	-		-	
Total Public Safety	31,656	26,367	112,587	-	-	-		-	

Recreat/Commnty/Library Svcs

Recreatn & Community Svcs Dept									
Montanoso Recreation Center	37,086	27,615	12,670	29,889	-	-		-	
Sierra Recreation Center	-	-	13,942	7,877	-	-		-	
Marguerite Tennis Center	4,405	-	2,477	-	-	-		-	
Total Recreatn & Community Svcs Dept	61,904	33,102	29,089	37,766	-	-		-	
Total Recreatn/Commnty/Library Svcs	61,904	38,764	29,089	37,766	-	-		-	
Total Computer/Equip/Furn/Veh Repl	165,026	531,049	167,074	59,730	265,000	-	-100.0%	-	

Facility Rehab/Replacement

Infrastructure Maintenance

Public Services Department									
Parks Maintenance	3,458	205,445	28,896	95,220	-	-		-	
Facilities Maintenance-RecCtrs	5,723	-	-	9,319	-	-		-	
Total Public Services Department	9,181	215,927	28,896	104,539	-	-		-	
Total Infrastructure Maintenance	9,181	215,927	28,896	104,539	-	-		-	
Total Facility Rehab/Replacement	9,181	215,927	28,896	104,539	-	-		-	

Library Fund

General Govt-Mgmt and Support

Information Technology Deptmt									
Information Technology	71,067	95,992	83,420	62,121	180,075	29,900	-83.4%	180,000	502.0%
Total Information Technology Deptmt	71,067	95,992	83,420	62,121	180,075	29,900	-83.4%	180,000	502.0%
Total General Govt-Mgmt and Support	71,067	95,992	83,420	62,121	180,075	29,900	-83.4%	180,000	502.0%

Infrastructure Maintenance

Public Services Department									
Facilities Maintenance-Library	387,570	358,116	342,949	327,226	369,076	363,520	-1.5%	368,520	1.4%
Total Public Services Department	387,570	358,116	342,949	327,226	369,076	363,520	-1.5%	368,520	1.4%
Total Infrastructure Maintenance	387,570	358,116	342,949	327,226	369,076	363,520	-1.5%	368,520	1.4%



2011-2013 Budget
Operating Budget by Fund and Program Area



	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Recreat/Commnty/Library Svcs									
Library Department									
Library Administration	-	-	473,800	503,980	508,934	538,498	5.8%	539,446	0.2%
Library Services	2,302,922	2,518,273	1	-	-	-		-	
Library Operations	-	-	695,369	743,844	685,532	686,451	0.1%	687,760	0.2%
Library Public Services	-	-	1,071,357	1,172,183	1,083,961	1,077,344	-0.6%	1,079,753	0.2%
Library Support Services	-	-	372,210	360,183	365,005	362,547	-0.7%	363,409	0.2%
Total Library Department	2,302,922	2,518,273	2,612,737	2,780,190	2,643,432	2,664,840	0.8%	2,670,368	0.2%
Total Recreatn/Commnty/Library Svcs	2,302,922	2,518,273	2,612,737	2,780,190	2,643,432	2,664,840	0.8%	2,670,368	0.2%
Total Library Fund	2,761,559	2,972,381	3,039,106	3,169,537	3,192,583	3,058,260	-4.2%	3,218,888	5.3%

Suppl Law Enforcement Svcs Fd

Public Safety

Police Services Department

Traffic	140,000	190,000	106,347	109,394	100,000	-	-100.0%	-	
Total Police Services Department	140,000	245,000	106,347	109,394	100,000	-	-100.0%	-	
Total Public Safety	140,000	245,000	106,347	109,394	100,000	-	-100.0%	-	
Total Suppl Law Enforcement Svcs Fd	140,000	245,000	106,347	109,394	100,000	-	-100.0%	-	

Cal Law Enfrcmt Equip ProgFund

Public Safety

Police Services Department

Police Administration	-	-	7,262	-	-	-		-	
Total Police Services Department	-	-	7,262	-	-	-		-	
Total Public Safety	-	-	7,262	-	-	-		-	
Total Cal Law Enfrcmt Equip ProgFund	-	-	7,262	-	-	-		-	

OCTA Fund Exchange Fund

Public Safety

Public Services Department

Street Lighting	-	-	913,671	802,179	402,149	402,500	0.1%	402,500	0.0%
Total Public Services Department	-	-	913,671	802,179	402,149	402,500	0.1%	402,500	0.0%
Total Public Safety	-	-	913,671	802,179	402,149	402,500	0.1%	402,500	0.0%

Engineering & Transportation

Public Works Department

Engineering	-	-	64,756	-	-	-		-	
Water Quality - Public Works	-	-	2,755	-	-	-		-	
Traffic Safety	-	-	106,784	-	-	-		-	
Signal Maintenance	448,638	561,187	485,000	1	-	-		-	
Total Public Works Department	448,638	561,187	659,295	1	-	-		-	
Total Engineering & Transportation	448,638	561,187	659,295	1	-	-		-	

Infrastructure Maintenance

Public Services Department

Street Maintenance	756,918	687,007	874,000	784,290	737,821	738,755	0.1%	738,855	0.0%
Medians and Parkways Maint	-	-	-	384,049	535,000	535,000	0.0%	535,000	0.0%
Total Public Services Department	756,918	687,007	874,000	1,168,339	1,272,821	1,273,755	0.1%	1,273,855	0.0%
Total Infrastructure Maintenance	756,918	687,007	874,000	1,168,339	1,272,821	1,273,755	0.1%	1,273,855	0.0%
Total OCTA Fund Exchange Fund	2,035,340	2,126,002	2,446,966	1,970,519	1,674,970	1,676,255	0.1%	1,676,355	0.0%



2011-2013 Budget
Operating Budget by Fund and Program Area



	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
State Gas Tax Fund									
Engineering & Transportation									
Public Works Department									
Public Works Administration	-	-	-	10,000	-	14,000		-	-100.0%
Engineering	-	-	-	39,602	-	65,000		-	-100.0%
Inspection	-	-	208,247	-	-	-		-	
Water Quality - Public Works	-	-	44,605	-	-	-		-	
Transportation Planning	-	-	121,918	-	-	-		-	
Traffic Operations	-	-	158,512	12,609	77,590	47,500	-38.8%	47,500	0.0%
Signal Maintenance	-	-	36,476	587,932	595,500	155,500	-73.9%	155,500	0.0%
Total Public Works Department	-	-	569,758	650,143	673,090	282,000	-58.1%	203,000	-28.0%
Total Engineering & Transportation	-	-	569,758	650,143	673,090	282,000	-58.1%	203,000	-28.0%

Infrastructure Maintenance									
Public Services Department									
Street Maintenance	833,187	836,240	1,016,560	955,159	960,161	-	-100.0%	-	
Medians and Parkways Maint	-	-	-	72,945	73,230	-	-100.0%	-	
Total Public Services Department	833,187	836,240	1,016,560	1,028,104	1,033,391	-	-100.0%	-	
Total Infrastructure Maintenance	833,187	836,240	1,016,560	1,028,104	1,033,391	-	-100.0%	-	
Total State Gas Tax Fund	833,187	836,240	1,586,318	1,678,247	1,706,481	282,000	-83.5%	203,000	-28.0%

Gas Tax - 2107.5 Fund									
General Govt-Mgmt and Support									
Administrative Services Dept									
Accounting and Payroll	1,900	2,400	2,050	1,500	1,500	1,500	0.0%	1,500	0.0%
Total Administrative Services Dept	1,900	2,400	2,050	1,500	1,500	1,500	0.0%	1,500	0.0%
Total General Govt-Mgmt and Support	1,900	2,400	2,050	1,500	1,500	1,500	0.0%	1,500	0.0%

Engineering & Transportation									
Public Works Department									
Engineering	-	-	-	18,531	-	-		-	
Total Public Works Department	-	5,400	-	18,531	-	-		-	
Total Engineering & Transportation	-	5,400	-	18,531	-	-		-	
Total Gas Tax - 2107.5 Fund	1,900	7,800	2,050	20,031	1,500	1,500	0.0%	1,500	0.0%

Air Quality Imprvmnt Trust Fd									
General Govt-Mgmt and Support									
Administrative Services Dept									
Accounting and Payroll	1,808	1,624	1,946	1,716	2,016	2,250	11.6%	2,350	4.4%
Total Administrative Services Dept	1,808	1,624	1,946	1,716	2,016	2,250	11.6%	2,350	4.4%
Total General Govt-Mgmt and Support	1,808	1,624	1,946	1,716	2,016	2,250	11.6%	2,350	4.4%

Community Development									
Community Development Dept									
Advanced Planning	14,870	14,950	20,000	44,975	45,000	45,000	0.0%	45,000	0.0%
Total Community Development Dept	14,870	14,950	20,000	44,975	45,000	45,000	0.0%	45,000	0.0%
Total Community Development	14,870	14,950	20,000	44,975	45,000	45,000	0.0%	45,000	0.0%

Engineering & Transportation									
Public Works Department									
Traffic Operations	85,770	-	-	-	30,000	-	-100.0%	70,200	0.0%
Total Public Works Department	85,770	37,470	-	-	30,000	-	-100.0%	70,200	0.0%
Total Engineering & Transportation	85,770	37,470	-	-	30,000	-	-100.0%	70,200	0.0%
Total Air Quality Imprvmnt Trust Fd	102,448	54,044	21,946	46,691	77,016	47,250	-38.6%	117,550	148.8%

Measure M-Growth Mgmt Area9 Fd									
Engineering & Transportation									
Public Works Department									
Public Works Administration	4,278	7,927	5,426	3,313	7,000	-	-100.0%	-	
Total Public Works Department	4,278	7,927	5,426	3,313	7,000	-	-100.0%	-	
Total Engineering & Transportation	4,278	7,927	5,426	3,313	7,000	-	-100.0%	-	
Total Measure M-Growth Mgmt Area9 Fd	4,278	7,927	5,426	3,313	7,000	-	-100.0%	-	



2011-2013 Budget
Operating Budget by Fund and Program Area



	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Sr Center Operations Fund									
<i>Recreatn/Commnty/Library Svcs</i>									
Recreatn & Community Svcs Dept									
NPM Community and Sr Center	66,190	64,344	110,484	110,249	151,837	132,830	-12.5%	140,315	5.6%
Total Recreatn & Community Svcs Dept	66,190	64,344	110,484	110,249	151,837	132,830	-12.5%	140,315	5.6%
Total Recreatn/Commnty/Library Svcs	66,190	64,344	110,484	110,249	151,837	132,830	-12.5%	140,315	5.6%
Total Sr Center Operations Fund	66,190	64,344	110,484	110,249	151,837	132,830	-12.5%	140,315	5.6%

Regional Narcotics Suppression

<i>Public Safety</i>									
Police Services Department									
Crime Prevention	-	-	6,535	-	-	-			
Total Police Services Department	-	-	6,535	-	-	-			
Total Public Safety	-	-	6,535	-	-	-			
Total Regional Narcotics Suppression	-	-	6,535	-	-	-			

Comm Development Block Grant

<i>General Govt-Mgmt and Support</i>									
Administrative Services Dept									
Accounting and Payroll	5,590	6,904	5,770	6,123	8,427	8,470	0.5%	8,493	0.3%
Treasury	7,742	2,488	2,539	2,116	2,122	2,125	0.1%	2,130	0.2%
Total Administrative Services Dept	13,332	9,392	8,309	8,239	10,549	10,595	0.4%	10,623	0.3%
Total General Govt-Mgmt and Support	13,332	9,392	8,309	8,239	10,549	10,595	0.4%	10,623	0.3%

Community Development

Community Development Dept									
Community Development Admin	89,609	83,055	89,469	90,222	89,069	77,622	-12.9%	77,800	0.2%
Housing	79,490	424,301	426,056	376,644	246,394	286,730	16.4%	286,730	0.0%
Economic Opportunity	65,159	67,885	69,330	65,927	79,555	66,200	-16.8%	66,200	0.0%
Total Community Development Dept	234,258	575,241	584,855	532,793	415,018	430,552	3.7%	430,730	0.0%
Total Community Development	234,258	575,241	584,855	532,793	415,018	430,552	3.7%	430,730	0.0%
Total Comm Development Block Grant	247,590	584,633	593,164	541,032	425,567	441,147	3.7%	441,353	0.0%

Measure M - Transit Project Fd

<i>General Govt-Mgmt and Support</i>									
Information Technology Deptmt									
Information Technology	-	-	592	-	-	-			
Total Information Technology Deptmt	-	-	592	-	-	-			
Total General Govt-Mgmt and Support	-	-	592	-	-	-			

Engineering & Transportation

Public Works Department									
Public Works Administration	-	-	2,457	-	-	-			
Transportation Planning	-	48,536	48,482	-	-	-			
Traffic Operations	-	-	520	-	-	-			
Total Public Works Department	-	48,536	51,459	-	-	-			
Total Engineering & Transportation	-	48,536	51,459	-	-	-			
Total Measure M - Transit Project Fd	-	48,536	52,051	-	-	-			

Misc Federal Grants Fund

<i>Engineering & Transportation</i>									
Public Works Department									
Water Quality - Public Works	-	-	192,400	-	-	-			
Total Public Works Department	-	-	192,400	-	-	-			
Total Engineering & Transportation	-	-	192,400	-	-	-			
Total Misc Federal Grants Fund	-	-	192,400	-	-	-			



2011-2013 Budget
Operating Budget by Fund and Program Area



	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Mission Viejo Television Fund									
<i>General Govt-Legislative</i>									
City Clerk Department									
General Govt-Legislative Cable Television	-	-	-	-	-	146,360	0.0%	148,825	0.0%
Total City Clerk Department	-	-	-	-	-	146,360	0.0%	148,825	0.0%
<i>General Govt-Mgmt and Support</i>									
City Manager Department									
General Govt-Mgmt and Support Cable Television	129,552	130,270	141,206	89,155	161,300	-	-100.0%	-	0.0%
Total City Manager Department	129,552	130,270	141,206	89,155	161,300	-	-100.0%	-	0.0%
Information Technology Deptmt									
Information Technology	834	911	471	327	1,000	1,000	0.0%	1,000	0.0%
Total Information Technology Deptmt	834	911	471	327	1,000	1,000	0.0%	1,000	0.0%
Total General Govt-Mgmt and Support	130,386	131,181	141,677	89,482	162,300	147,360	-9.2%	149,825	1.7%
<i>Infrastructure Maintenance</i>									
Public Services Department									
Facilities Maintenance-Library	40,935	40,261	33,862	34,491	39,480	35,715	-9.5%	35,715	0.0%
Total Public Services Department	40,935	40,261	33,862	34,491	39,480	35,715	-9.5%	35,715	0.0%
Total Infrastructure Maintenance	40,935	40,261	33,862	34,491	39,480	35,715	-9.5%	35,715	0.0%
Total Mission Viejo Television Fund	171,321	171,442	175,539	123,973	201,780	183,075	-9.3%	185,540	1.3%
Mission Viejo TV Capital Fund									
<i>General Govt-Legislative</i>									
City Clerk Department									
General Govt-Legislative Cable Television	-	-	-	-	-	30,000	0.0%	30,000	0.0%
Total City Clerk Department	-	-	-	-	-	30,000	0.0%	30,000	0.0%
Total Mission Viejo TV Capital Fund	-	-	-	-	-	30,000	0.0%	30,000	0.0%
Animal Services Fund									
<i>General Govt-Mgmt and Support</i>									
Administrative Services Dept									
Administrative Services Admin	-	-	-	7,217	6,845	-	-100.0%	-	-
Treasury	64,175	55,053	63,154	72,274	78,564	88,016	12.0%	89,916	2.2%
Total Administrative Services Dept	64,175	55,053	63,154	79,491	85,409	88,016	3.1%	89,916	2.2%
Information Technology Deptmt									
Information Technology	23,360	8,719	24,109	21,418	33,600	33,600	0.0%	33,600	0.0%
Total Information Technology Deptmt	23,360	8,719	24,109	21,418	33,600	33,600	0.0%	33,600	0.0%
Total General Govt-Mgmt and Support	87,535	63,772	87,263	100,909	119,009	121,616	2.2%	123,516	1.6%
<i>Public Safety</i>									
Public Services Department									
Public Safety Animal Services	924,370	1,082,057	1,401,307	1,431,316	1,445,236	1,449,016	0.3%	1,474,640	1.8%
Total Public Services Department	924,370	1,082,057	1,401,307	1,431,316	1,445,236	1,449,016	0.3%	1,474,640	1.8%
Total Public Safety	924,370	1,082,057	1,401,307	1,431,316	1,445,236	1,449,016	0.3%	1,474,640	1.8%
<i>Infrastructure Maintenance</i>									
Public Services Department									
Fleet Maintenance	23,744	28,766	27,947	35,460	30,250	29,500	-2.5%	29,500	0.0%
Parks Maintenance	70,338	78,506	76,181	82,179	84,490	84,500	0.0%	84,500	0.0%
Facilities Maintenance	50,572	36,326	42,100	26,997	45,300	39,200	-13.5%	39,200	0.0%
Total Public Services Department	144,654	143,598	146,228	144,636	160,040	153,200	-4.3%	153,200	0.0%
Total Infrastructure Maintenance	144,654	143,598	146,228	144,636	160,040	153,200	-4.3%	153,200	0.0%
Total Animal Services Fund	1,156,559	1,289,427	1,634,798	1,676,861	1,724,285	1,723,832	0.0%	1,751,356	1.6%
Fire Safe Council Fund									
<i>Infrastructure Maintenance</i>									
Public Services Department									
Parks Maintenance	-	-	710	-	-	-	-	-	-
Total Public Services Department	-	-	710	-	-	-	-	-	-
Total Infrastructure Maintenance	-	-	710	-	-	-	-	-	-
Total Fire Safe Council Fund	-	-	710	-	-	-	-	-	-
Total Operating Budget	51,082,513	61,518,530	59,663,119	59,022,363	56,972,067	55,132,299	-3.2%	55,574,923	0.8%



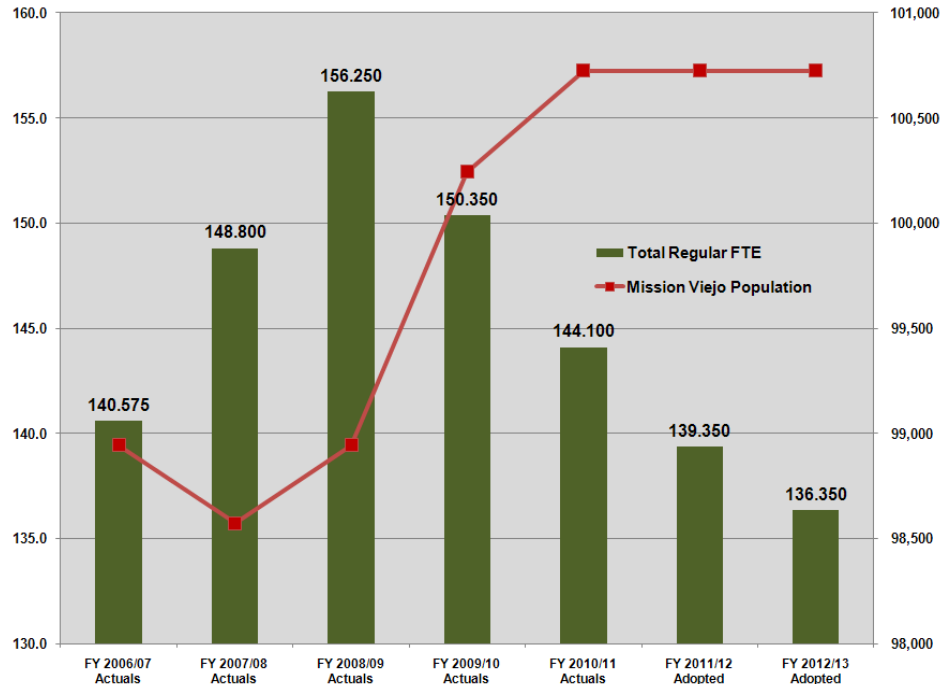
CITY OF MISSION VIEJO Staffing



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 twenty-five 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. The last several years have proven challenging in terms of budget balancing as the City has managed the effects of a recession. In addition to targeted reductions to operating appropriations, the total number of full-time equivalent (FTE) positions has been reduced each year since FY 2008/09.

As the chart on this page illustrates, over the last four fiscal years, staffing levels have dropped from their peak in FY 2008/09 of 156.250 FTE. The 2011-13 adopted budget includes a total reduction of approximately eight FTE over the two fiscal years. This will result in approximately 135.350 FTE in FY 2012/13, a decrease of more than twenty positions in four fiscal years.

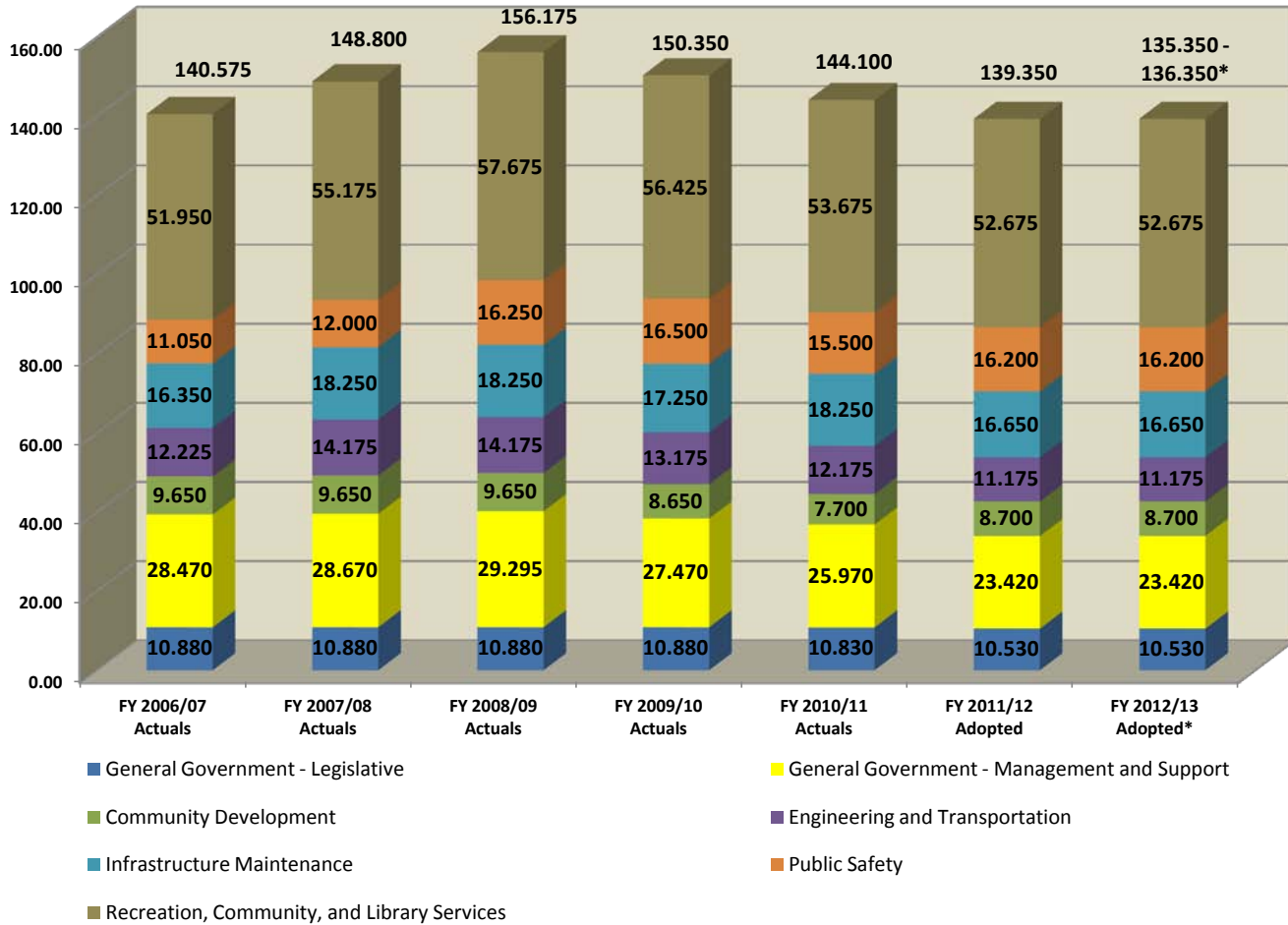


Mission Viejo is dedicated to maintaining a balanced budget and “doing more with less” in an effort to continue its long tradition of responsible fiscal management. Part of this effort is to review staffing levels in each program as part of the budget process and then adjust them accordingly. As the charts on the following pages illustrate, the City’s priorities – landscape and parks maintenance, road improvements and maintenance, and recreational and cultural programming – are reflected in the amount of staff budgeted in these program areas. An average of 58% of total staffing is in the three program areas of Recreation, Library and Cultural Services, Infrastructure Maintenance, and Engineering and Transportation Services. The largest reductions have come in the support services areas, most notably those programs that provide internal support (e.g., accounting, human resources and related programs).

The charts on the following pages provide more information on total staffing levels as well as FTE by program area and department for the past several fiscal years. In addition, classification level staffing information is provided in the appendices of this adopted budget document.



2011-2013 Budget Summary of Authorized Positions



Program Area	FY 2006/07 Actuals	FY 2007/08 Actuals	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Actuals	FY 2011/12 Adopted	Change from Prior Year	FY 2012/13 Adopted*	Change from Prior Year
General Government - Legislative	10.880	10.880	10.880	10.880	10.830	10.530	-0.300	10.530	0.000
General Government - Management and Support	28.470	28.670	29.295	27.470	25.970	23.420	-2.550	23.420	0.000
Community Development	9.650	9.650	9.650	8.650	7.700	8.700	1.000	8.700	0.000
Engineering and Transportation	12.225	14.175	14.175	13.175	12.175	11.175	-1.000	11.175	0.000
Infrastructure Maintenance	16.350	18.250	18.250	17.250	18.250	16.650	-1.600	16.650	0.000
Public Safety	11.050	12.000	16.250	16.500	15.500	16.200	0.700	16.200	0.000
Recreation, Community, and Library Services	51.950	55.175	57.675	56.425	53.675	52.675	-1.000	52.675	0.000
FTE TOTALS	140.575	148.800	156.175	150.350	144.100	139.350	-4.750	136.350	-3.000
								135.350	-4.000

*The adopted 2011-13 budget includes plans to reduce FTE by an additional 3.0 - 4.0 FTE in FY 2012/13. These positions have not been identified; therefore, the "Total, All Program Areas" amount reflects a reduction to total staffing of 3.0-4.0 FTE (136.350/135.350) versus showing reductions in a specific program area.



**2011-2013 Budget
Staffing by Program Area and Department**



FY 2011/12 Operating Budget

	General Government - Legislative	General Government - Management & Support	Community Development	Engineering and Transportation	Infrastructure Maintenance	Public Safety	Recreation, Community and Library Services	Total
City Council	5.000							5.000
City Manager	0.900	2.100			0.200	0.050		3.250
City Clerk	4.000							4.000
Administrative Services*	0.030	13.600	0.020			0.850		14.500
Community Development	0.300		8.700					9.000
Information Technology		7.500						7.500
Library and Cultural Services							25.250	25.250
Public Services					16.450	15.300		31.750
Public Works		0.200		11.175				11.375
Recreation and Comm. Serv.*	0.300						27.425	27.725
Total, All Program Areas	10.530	23.400	8.720	11.175	16.650	16.200	52.675	139.350

*The adopted 2011-13 budget includes plans to reduce FTE by 1.0 in Administrative Services and 0.50 in Recreation and Community Services. The specific positions will be identified in FY 2011/12 and a total net reduction of 1.50 FTE will be realized by the end of the fiscal year.

FY 2012/13 Operating Budget

	General Government - Legislative	General Government - Management & Support	Community Development	Engineering and Transportation	Infrastructure Maintenance	Public Safety	Recreation, Community and Library Services	Total
City Council	5.000	0.000	0.000	0.000	0.000	0.000	0.000	5.000
City Manager	0.900	2.100	0.000	0.000	0.200	0.050	0.000	3.250
City Clerk	4.000	0.000	0.000	0.000	0.000	0.000	0.000	4.000
Administrative Services	0.030	13.600	0.020	0.000	0.000	0.850	0.000	14.500
Community Development	0.300	0.000	8.700	0.000	0.000	0.000	0.000	9.000
Information Technology	0.000	7.500	0.000	0.000	0.000	0.000	0.000	7.500
Library and Cultural Services	0.000	0.000	0.000	0.000	0.000	0.000	25.250	25.250
Public Services	0.000	0.000	0.000	0.000	16.450	15.300	0.000	31.750
Public Works	0.000	0.200	0.000	11.175	0.000	0.000	0.000	11.375
Recreation and Comm. Serv.	0.300	0.000	0.000	0.000	0.000	0.000	27.425	27.725
Total, All Program Areas**	10.530	23.400	8.720	11.175	16.650	16.200	52.675	136.350

**The adopted 2011-13 budget includes plans to reduce FTE by an additional 3.0 - 4.0 FTE in FY 2012/13. These positions have not been identified; therefore, the "Total, All Program Areas" amount reflects a reduction to total staffing of 3.0-4.0 FTE (136.350/135.350) versus showing reductions in a specific program area.



CITY OF MISSION VIEJO
2011-13 Operating Program Areas Summary



GENERAL GOVERNMENT - LEGISLATIVE

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.

The City Council, as the legislative body, formulates policies in response to the needs, values and interests of the citizens. Each of the five council members is elected at-large, to a four year term. The Mayor and Mayor Pro Tem are chosen annually in December on a rotating basis.

The City Clerk’s office oversees the preparation of meeting agendas and minutes, the maintenance of official records, public information, the administration of municipal elections, and management of the local cable channel (Mission Viejo TV). The City Attorney provides general legal counsel and prepares ordinances, contracts, and other legal documents. The City of Mission Viejo contracts with the law firm of Richards, Watson and Gershon.

Staffing for the City Council includes clerical support from various City departments to assist with commission meetings. Staff members from the City Manager’s department provide support to the City Council’s Administration program.

STAFFING
FULL-TIME EQUIVALENTS (FTE)

Program	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Actuals	FY 2011/12 Adopted	Change from Prior Year	FY 2012/13 Adopted	Change from Prior Year
City Council							
Administration*	6.200	6.200	6.200	5.900	-0.300	5.900	0.000
Commissions**	0.680	0.680	0.630	0.630	0.000	0.630	0.000
Subtotal	6.880	6.880	6.830	6.530	-0.300	6.530	0.000
City Clerk							
Administration	0.850	0.750	0.750	0.800	0.050	0.800	0.000
Cable Television	0.000	0.000	0.000	0.400	0.400	0.400	0.000
Council Support	0.750	0.650	0.650	0.700	0.050	0.700	0.000
Public Information	0.000	0.600	0.400	0.300	-0.100	0.300	0.000
Records Management	1.650	1.550	1.550	1.200	-0.350	1.200	0.000
Elections	0.750	0.450	0.650	0.600	-0.050	0.600	0.000
Subtotal	4.000	4.000	4.000	4.000	0.000	4.000	0.000
City Attorney							
Legal Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL FTE	10.880	10.880	10.830	10.530	-0.300	10.530	0.000

*The FTE count in the Administration program under the City Council includes the five Councilmembers, in addition to administrative support staff from the City Manager’s office.

**The FTE count for Commissions includes portions of staff from the Administrative Services, Community Development and Recreation and Community Services departments.



2011-2013 Budget Program Area Summary

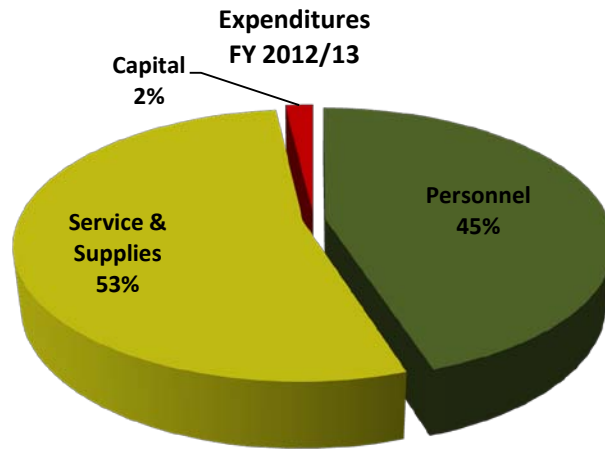
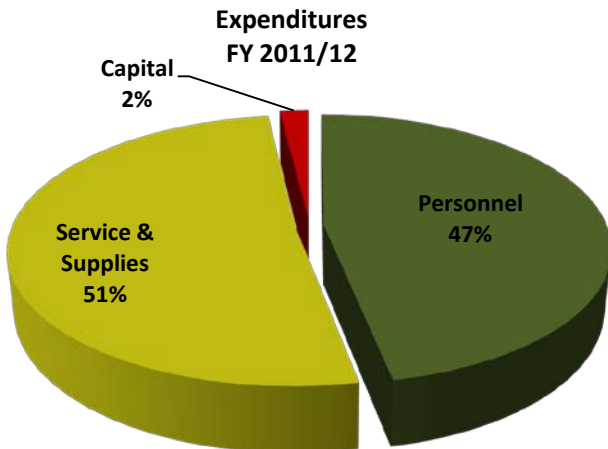


General Government - Legislative Expenditures, All Funds: FY 2008/09 - FY 2012/13

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
City Council Department							
City Council Administration	656,866	285,029	265,203	236,955	-10.7%	227,572	-4.0%
Commissions	77,955	69,566	71,589	70,787	-1.1%	70,858	0.1%
Total City Council	734,821	354,595	336,792	307,742	-8.6%	298,430	-3.0%
City Clerk Department							
City Clerk Administration	103,220	82,916	87,904	91,300	3.9%	90,362	-1.0%
Council Support	87,959	74,122	75,151	79,579	5.9%	80,345	1.0%
Cable Television*	-	-	-	198,360	0.0%	200,825	1.2%
Elections	198,423	480,942	150,856	60,658	-59.8%	131,376	116.6%
Public Information**	-	339,119	312,691	300,764	-3.8%	300,088	-0.2%
Records Management	158,435	144,741	145,799	119,748	-17.9%	120,069	0.3%
Total City Clerk	548,037	1,121,840	772,401	850,409	10.1%	923,065	8.5%
City Attorney Department							
Legal Services	774,481	581,124	500,000	383,000	-23.4%	385,000	0.5%
Total City Attorney	774,481	581,124	500,000	383,000	-23.4%	385,000	0.5%
Total General Government - Legislative	2,057,339	2,057,559	1,609,193	1,541,151	-4.2%	1,606,495	4.2%

*The Cable Television program was moved to the City Clerk Department in FY 2011/12 from the City Manager's office.

**The Public Information program was moved from the City Manager's office to the City Clerk Department in FY 2009/10.





CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	General Government/Legislative
Department:	City Council
Program:	Administration

Department Description:

The City of Mission Viejo has a five-member City Council that serves as the governing body of the City and meets twice per month. The City Council formulates policy guidelines to ensure the provision of high quality municipal services for the residents and businesses in Mission Viejo. Members of the City Council are elected at-large, serve four-year terms and choose the Mayor annually, on a rotating basis. The Council members also serve as the Community Development Agency (CDA) Board, Community Development Financing Authority (CDFA), and the Library Board of Trustees.

The City Council has responsibility for appointing the members of the Planning and Transportation Commission, Investment Advisory Commission and the Community Services Commission. The Council also selects the City Council representative and alternative to each regional board, agency, and joint powers authority/district. The City Council has the authority and responsibility for hiring the City Manager and the City Attorney.

Program Description:

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

Accomplishments, 2009-11:

- Adopted a second tier retirement program and continued a program of transitioning employees to assume the full responsibility for paying the cost of the employee share of the Cal-PERS retirement plan.
- Completed FY 2010/11 with a \$1.8 million surplus, which is 55% of annual General Fund revenues.
- Received a 99% satisfaction rating on the quality of life in Mission Viejo on the annual community satisfaction survey.
- Mission Viejo was ranked as the safest city in California and third safest in the United States.
- Continued involvement and influence on regional boards with council members serving on League of California Cities' Policy Committees, Southern California Association of Government's Policy Committees, Association of California Cities - Orange County's Board of Directors, Orange County Fire Authority's Board of Directors, Orange County Council of Governments' Board of Directors, Transportation Corridor Agency's Board of Directors, and other regional organizations.
- Mission Viejo ranked among the top three cities to live in Orange County.

Performance Measures:					
	Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1	% of overall satisfaction (Somewhat Satisfied to Very Satisfied) with municipal services	N/A	95%	N/A	97%
2	% of residents rating Mission Viejo quality of life as Good or Excellent	N/A	99%	N/A	99%
3	# of Legislative Letters Sent	400	128	150	150
4	# of Standing/Ad Hoc Committee Meetings Attended	8	8	20	20
5	# of Regional Board Meetings Attended	211	253	250	250

Performance Measure Notes:



**CITY OF MISSION VIEJO
2011-13 Program Summary**



City Council Administration Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
City Council Administration							
Personnel Services	227,026	234,021	235,328	202,080	-14.1%	202,547	0.2%
Services & Supplies	429,840	51,008	29,875	34,875	16.7%	25,025	-28.2%
Total City Council Administration	656,866	285,029	265,203	236,955	-10.7%	227,572	-4.0%

2011-13 Objectives:

1. Review the comprehensive update to the City's General Plan and related Master Environmental Impact Report by December, 2012.
2. Review and consider approving the updated Community Services Master Plan by December, 2011.
3. Review and consider approving the proposed Community Service Recognition Policy by December, 2011.
4. Consider issues, policies, and potential funding sources related to implementation of SB 375 (Redesigning Communities to Reduce Greenhouse Gases) through June, 2012.
5. Seek resolution to the Regional Housing Needs Assessment (RHNA) process through June, 2012.
6. Serve on the League of California Cities Transportation, Communication and Public Works Policy Committee through December, 2012.
7. 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 South Orange County Major Investment Study Policy Working Group, 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 through June, 2013.
8. Continue to monitor potential Saddleback Valley Unified School District (SVUSD) school closures through June, 2012.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	General Government/Legislative
Department:	City Council
Program:	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.

Accomplishments, 2009-11:

- The Planning and Transportation Commission reviewed and recommended approval of environmental documentation and design/development plans for the Oso Parkway Widening Project between the Interstate 5 Freeway and Country Club Drive, and the Marguerite Tennis Center Renovation and Master Plan project.
- The Planning and Transportation Commission reviewed and approved several new or substantially remodeled commercial projects that included strong emphasis on quality upgrades to exterior building architecture and on-site hardscape/landscape improvements, including: the LA Fitness/Alicia Towne Plaza shopping center renovation; Fairhaven Memorial Center; Gateway Center renovation; new Bravo Burgers restaurant, and remodeled Carl's Jr. (La Paz Road) and McDonald's restaurants (Santa Margarita Parkway).
- The Investment Advisory Committee (IAC) reviewed and made recommendations on refinancing of the 1996 Certificates of Deposit and 2001 Series A Lease Revenue Bonds which led to substantial savings to the City's General Fund.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # of issues/agenda items resolved by the Planning & Transportation Commission	70	75	60	60
2 # of issues/agenda items resolved by the Community Services Commission	200	200	225	225
3 # of issues/agenda items resolved by the Investment Advisory Commission	36	36	34	34
4 % of Planning & Transportation Commission meetings ended by the 11:00 p.m. adjournment goal	99%	99%	99%	99%

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Commissions Expenditures

Commissions	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	54,995	51,975	49,254	49,267	0.0%	49,338	0.1%
Services & Supplies	22,960	17,591	22,335	21,520	-3.6%	21,520	0.0%
Total Commissions	77,955	69,566	71,589	70,787	-1.1%	70,858	0.1%

2011-13 Objectives:

Planning and Transportation Commission

1. Review the comprehensive update to the City's General Plan and related Master Environmental Impact Report by June, 2012.
2. Conduct public hearings for wireless telecommunication facility site requests by June, 2013.

Community Services Commission

1. Review and conduct a public hearing for the Community Services Master Plan by September, 2011.
2. Review the proposed Community Service Recognition Policy by September, 2011.

Investment Advisory Commission

1. Review Investment Policies before September, 2011 and September, 2012.
2. Approve the list of authorized broker-dealers before June, 2013.

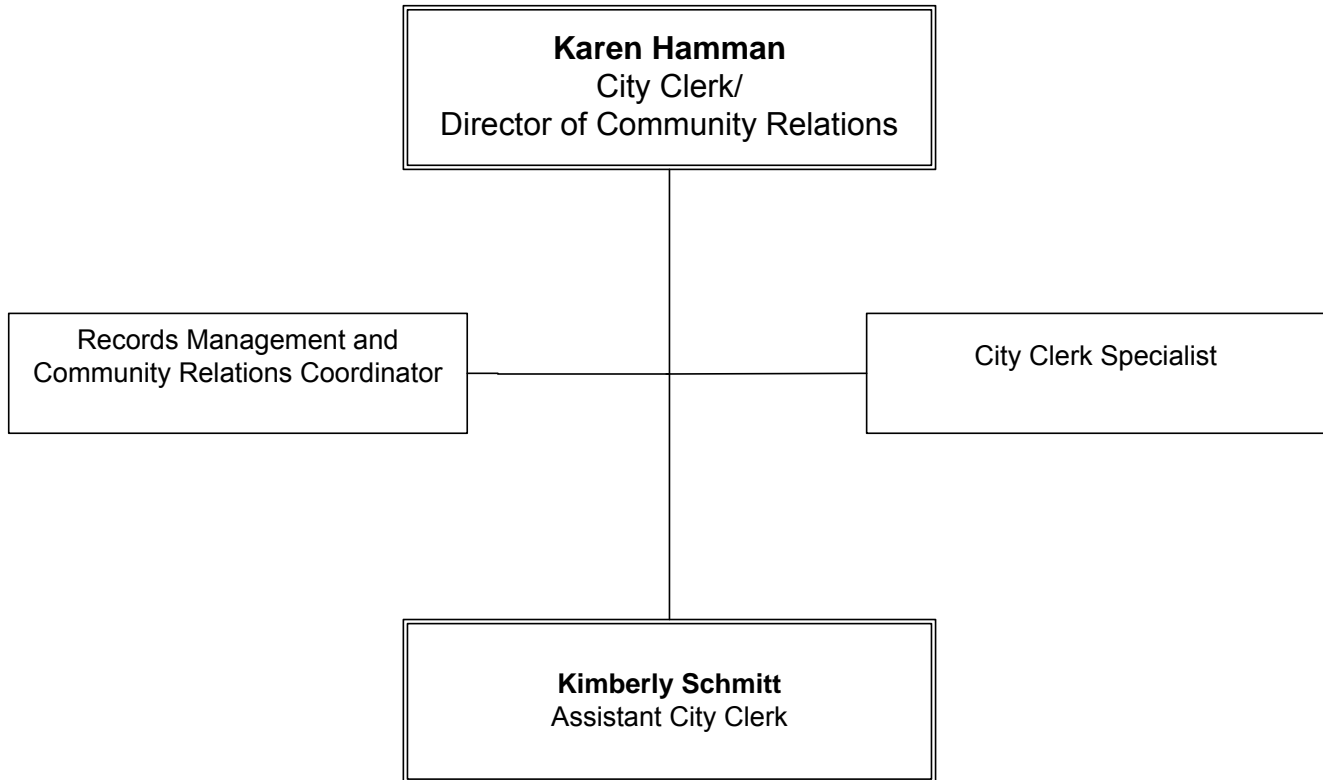
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CITY OF MISSION VIEJO
2011-13 Department Organizational Chart



CITY CLERK





**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	General Government/Legislative
Department:	City Clerk
Program:	Administration

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. (Beginning in FY 2011/12, responsibility for cable television [i.e., MVTV] was transferred to the City Clerk from the City Manager's office.)

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.

Accomplishments, 2009-11:

- Assumed responsibility for implementing, monitoring, auditing, and reporting on the City's E-Verify program.
- Monitored the County and State Redistricting proposals and provided updates to the City Manager and City Council.
- Attended training sessions and conferences to keep up with emerging trends and ever-changing laws as well as to have the opportunity to network with other clerks from all over the State and nation.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # / % Conflict of Interest Statements processed by stated deadlines	100/ 100%	130 / 100%	100/100%	120/100%
2 #/% Contracts processed w/ all necessary bonds/insurance w/in required timeline	127 / 98%	63 / 98%	120/98%	60/98%
3 #/% Legal notices published by stated deadlines	50 / 100%	46 / 100%	45/100%	45/100%
4 #/% Bid openings noticed and processed accurately	21 / 100%	20 / 100%	20/100%	20/100%

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



City Clerk Administration Expenditures

City Clerk Administration	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	95,135	78,798	78,705	83,675	6.3%	83,912	0.3%
Services & Supplies	8,085	4,118	9,199	7,625	-17.1%	6,450	-15.4%
Total City Clerk Administration	103,220	82,916	87,904	91,300	3.9%	90,362	-1.0%

Objectives, 2011-13:

1. Implement an E-Verify program policy and originate a Sire database for tracking purposes; provide bi-annual reports to the City Council by December, 2011 and December, 2012.
2. Work towards Master Municipal Clerk (MMC) designation (City Clerk) by actively pursuing training and education and participating in professional activities/programs (ongoing).
3. Attend and monitor Orange County Redistricting Committee meetings and examine boundary adjustment proposals; provide report to the City Manager on proposed changes by September 2011.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	General Government/Legislative
Department:	City Clerk*
Program:	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.

**Responsibility for this program has been transferred to the City Clerk from the City Manager's office effective FY 2011/12.*

Accomplishments, 2009-11:

- Met with Cox Communications regarding the Cable Television Franchise Agreement and their option to secure a State Franchise Agreement with the requirement to submit to the City an additional 1% PEG fee.
- Began collecting quarterly franchise fees from 3,100 AT&T customers from AT&T's new State Franchise Agreement.
- Investigated requirements for AT&T customers to have access to MVTV programming.
- Began televising live KSBR radio shows (Gary and Kelly Show/Blake Aaron Show) from the Norman P. Murray Senior and Community Center.
- Recommended and received City Council approval to reduce the MVTV notice fee for Mission Viejo businesses from \$20 per week to \$20 each based on fee study and full cost recovery.
- Created 178 new MVTV bulletin board notices and updated all existing bulletin board notices on MVTV.
- Produced 132 separate programs which were aired on MVTV channel 30 to over 27,000 cable customers.
- Developed a bug of the MVTV logo for placement on all new programs produced by MVTV.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # / % of households subscribing to Cox cable	28,050 / 85%	27,060 / 82%	27,390 / 83%	27,390 / 83%
2 # / % households tuning into MVTV	N/A	8,850 / 25.4%	8,900 / 26%	8,950 / 27%
3 # of bulletin board pages created for MVTV	115	115	120	120
4 # of programs produced by MVTV	65	65	66	67
5 # of PSA's produced by MVTV	5	5	5	5

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Cable Television Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Cable Television*							
Personnel Services	8,136	8,786	8,011	40,660	407.6%	39,625	-2.5%
Services & Supplies	174,031	109,055	185,300	127,700	-31.1%	131,200	2.7%
Capital Outlay	(1,840)	-	-	30,000	-	30,000	0.0%
Total Cable Television	180,327	117,841	193,311	198,360	2.6%	200,825	1.2%

**Responsibility for this program has been transferred to the City Clerk from the City Manager's office effective FY 2011/12; data presented above for prior fiscal years reflects actuals from when the Cable Television program was part of the City Manager's office.*

2011-13 Objectives:

1. Oversee the transition from the Cable Television Franchise Agreement to a State Franchise Agreement and seek to secure 1% of additional franchise fee revenue by December, 2011.
2. Monitor performance of open video system providers for compliance with terms of the new State Franchise Agreement by June, 2012 and June, 2013.
3. Coordinate with State Franchise Agreement holders to pursue an additional 1% in franchise fee revenue by January, 2012.
4. Review the audio/visual equipment needs for the MVTV facility and the Council Chamber and complete the purchase of needed equipment by June, 2012 and June, 2013.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	General Government/Legislative
Department:	City Clerk
Program:	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 Agency (CDA), Community Development Financing Authority (CDFA) Library Board of Trustees (LBT), and Housing Authority (HA). Additional support tasks include providing notice of agenda items; recording, communicating and maintaining the official record of Council and Agency legislative actions; and preparing and coordinating various City Council ceremonial items.

Accomplishments, 2009-11:

- In conjunction with the City Attorney’s office, provided the Council Members with annual Brown Act and Conflict of Interest updates.
- Improved the City Council ceremonial recognition program by greeting visitors and taking photographs of the recipients with the Mayor and/or Council Members.
- Conducted and completed a quality control project on the archive of all transferred electronic documents and City Council Meeting document archives.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 #/% agenda item follow-ups completed within 6 days following each Council meeting	502 / 95%	500 / 95%	500 / 95%	500 / 95%
2 #/% resolutions prepared within 6 days following Council meeting	110 / 100%	100 / 100%	100 / 100%	100 / 100%
3 #/% ordinances processed within 6 days following Council meeting	6 / 100%	8 / 100%	7 / 100%	7 / 100%
4 #/% Council-approved legal documents recorded without defect between portfolio return and benchmark	14 / 100%	24 / 100%	18 / 100%	18 / 100%
5 #/% City Council Minutes prepared and approved by the City Council as accurate upon presentation	21 / 99%	22 / 99%	22 / 99%	22 / 99%
6 # Subscriptions to City Council agendas at year-end	194	266	275	280

Performance Measure Notes:



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Council Support Expenditures

Council Support	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	84,947	70,728	71,051	76,029	7.0%	76,245	0.3%
Services & Supplies	3,012	3,394	4,100	3,550	-13.4%	4,100	15.5%
Total Council Support	87,959	74,122	75,151	79,579	5.9%	80,345	1.0%

Objectives, 2011-13:

1. Coordinate the process for Mayoral appointment of committee representatives to regional agencies, boards and committees in December, 2011 and December, 2012.
2. Promote the City Council ceremonial recognition program by photographing the presentations and posting a follow-up blog article (with photos) on Mission Viejo Life following each Council Meeting (ongoing).
3. Provide reminders and track compliance with AB1234 ethics training requirements for City Council Members, and Commissioners by December, 2011 and December, 2012.
4. In conjunction with the City Attorney's office, provide City Council Members with annual Brown Act and Conflict of Interest updates by July, 2011 and July, 2012.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	General Government/Legislative
Department:	City Clerk
Program:	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.

Accomplishments, 2009-11:

- Coordinated two special elections, in addition to a regular election, by publishing official election notices, processing the arguments and impartial analyses, coordinating sample ballot publication, and certifying election results.
- The City Clerk began serving on the countywide ""Community Elections Working Group"" to provide input to the Registrar of Voters on elections issues and to enhance coordination between the cities, the county, election process related community support groups, and the voters of Orange County.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 % of registered voters voting in general election	N/A	61%	N/A	60%
2 # of residents registered to vote	61,924	62,493	62,000	62,500
3 # / % campaign disclosure statements filed by deadline with required information	75 / 85%	101 / 90%	75 / 90%	100 / 90%
4 # of City Council candidates assisted during the election process	N/A	12	N/A	10

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Elections Expenditures

Elections	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	83,642	44,794	71,051	59,308	-16.5%	59,476	0.3%
Services & Supplies	114,781	436,148	79,805	1,350	-98.3%	71,900	5225.9%
Total Elections	198,423	480,942	150,856	60,658	-59.8%	131,376	116.6%

Objectives, 2011-13:

1. 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 (ongoing).
2. Coordinate the November, 2012 General Municipal Election by publishing official election notices, issuing and processing nomination papers, coordinating sample ballot publication and voter outreach, and certifying election results by December, 2012.
3. Update the City Council Candidate Handbook to incorporate legislative changes for the 2012 Municipal Election by July, 2012.
4. Ensure that Campaign Finance Disclosure Statements and other pertinent election information is posted to the City's web site for public viewing within five days of receipt of these filings (ongoing).
5. Conduct briefings for newly elected Council Members on City Council Meeting protocol, the agenda process, Brown Act and Conflict of Interest laws, and AB1234 ethics training requirements by December, 2012.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	General Government/Legislative
Department:	City Clerk
Program:	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.

Accomplishments, 2009-11:

- Developed a coordinated Communications Plan that addresses all aspects of external and internal communications, establishes a media policy covering protocols for media relations, and guides the implementation of various objectives.
- Utilized the results and confirmed (via the City's biennial community opinion survey) the type, frequency, and quality of City communications that residents/businesses have encountered most, and to set service goals and measure how well goals have been attained.
- Began investigating the feasibility of utilizing the City's MVTV Studio to advertise and promote City services and programs and to generate revenue.
- Secured contracts with new design and print firms for Outlook, Leisure Time and the Annual Report and, in the process, saved \$45,000 per year (over prior year's costs.)

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # of visitor sessions to City's website	1,750,000	1,150,000	1,600,000	1,700,000
2 # of views on the Mission Viejo Life blog	92,378	119,444	125,000	130,000
3 # eNewsletter subscribers	6,271	6,086	6,200	6,300
4 % timeliness of posting blog or other news articles within 5 days of request/receipt	90%	95%	95%	95%
5 Residents' % of overall satisfaction with City communications	N/A	84%	N/A	87%

Performance Measure Notes:



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Public Information Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Public Information*							
Personnel Services	-	101,285	110,766	97,339	-12.1%	97,163	-0.2%
Services & Supplies	-	237,834	201,925	203,425	0.7%	202,925	-0.2%
Total Public Information	-	339,119	312,691	300,764	-3.8%	300,088	-0.2%

**Prior to FY 2009/10, the Public Information program was part of the City Manager's office.*

Objectives, 2011-13:

1. Investigate launching specific focus groups to further gauge community sentiment regarding City services, programs and performance by December, 2012.
2. Research and implement methods to increase the number of City eNewsletter subscribers and blog readers; ensure that information about eNewsletter sign-up opportunities and blog information is provided at all major City events on an ongoing basis.
3. Investigate ways to engage the community (i.e., residents, non-profits, service organizations, schools, businesses, etc.) to embrace Mission Viejo's blog and YouTube channel as regular sources for submission of news and information to share with the community (ongoing).
4. To enhance community perception and understanding of certain critical issues, consider launching a speaker's bureau that includes appropriate City staff and Commission members, community leaders and stakeholders by March, 2013.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	General Government/Legislative
Department:	City Clerk
Program:	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.

Accomplishments, 2009-11:

- Developed an instructional booklet for integrating department photographs into SIRE and assisted staff with questions regarding the archive of notable City of Mission Viejo photographs.
- Removed Social Security numbers contained on files that can be publicly accessed through SIREpub.
- Input Records Transfer Forms into Sire to lessen the dependence on the Records Locator Log notebooks.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # / % of Public Records Act requests processed within ten days	431 / 97%	400 / 97%	450 / 97%	475 / 97%
2 # of boxes of records processed for inactive storage	132	125	75*	75*
3 # of boxes of records purged	164	123	120	100

Performance Measure Notes:

**The number of boxes of records processed for inactive storage will decrease in coming years because the Administrative Services department is now retaining electronic copies of invoices and payroll records, therefore storage of paper files will decrease.*



CITY OF MISSION VIEJO
2011-13 Program Summary



Records Management Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Records Management							
Personnel Services	151,561	140,058	139,924	114,273	-18.3%	114,594	0.3%
Services & Supplies	6,874	4,683	5,875	5,475	-6.8%	5,475	0.0%
Total Records Management	158,435	144,741	145,799	119,748	-17.9%	120,069	0.3%

Objectives, 2011-13:

1. Investigate conversion of Public Records Act Request processing to the City's Service Request System (CRM) by December, 2011.
2. Process citywide records for annual purge and destroy appropriate records in accordance with the retention schedule by June, 2012.
3. Continue to make records available to staff and the public electronically; raise resident awareness that City records are accessible and market their availability via City Outlook articles, electronic newsletters, MVTV, etc. by September, 2012.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	General Government/Legislative
Department:	City Attorney
Program:	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, Richards, Watson and Gershon.

Accomplishments, 2009-11:

- Prepared all required ordinances, resolutions and agreements.
- Reviewed City personnel policies and recommended appropriate updates.
- Enforced municipal code violations, emphasized code enforcement solutions, negotiated settlements, injunctions and civil prosecution.
- Developed cost containment measures in all aspects of legal representations.
- Assessed and advised on potential cost and revenue impacts related to new State of California legislation.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 Average # of monthly City Hall office hours (City Attorney, Assistant City Attorney	50	50	50	50
2 % of annual attorney hours spent on litigation related / non-litigation matters	50% / 50%	50% / 50%	50% / 50%	50% / 50%

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Legal Services Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Legal Services							
Services & Supplies	774,481	581,124	500,000	383,000	-23.4%	385,000	0.5%
Total Legal Services	774,481	581,124	500,000	383,000	-23.4%	385,000	0.5%

Objectives, 2011-13:

1. Review the comprehensive update to the City's General Plan and related Master Environmental Impact Report by September, 2012.
2. Review issues, policies, and potential funding sources related to implementation of SB 375 (Redesigning Communities to Reduce Greenhouse Gases) by June, 2012.
3. Provide legal services for the City Council and matters under consideration by the Planning and Transportation Commission (ongoing).



CITY OF MISSION VIEJO
2011-13 Operating Program Areas Summary



GENERAL GOVERNMENT – MANAGEMENT AND SUPPORT

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.

The City Manager, the City’s chief administrative officer, carries out City Council policies through the various operating departments. In FY 2011/12, the Cable Television program (i.e., management of Mission Viejo TV) was moved from the City Manager’s office to the City Clerk’s Department (see the General Government – Legislative program area for this information).

The Administrative Services Department manages all the financial affairs of the City (e.g., accounting, budget, debt service), risk management, human resources, and purchasing. It also provides staff support to the City’s Investment Advisory Commission (IAC).

The Information Technology Department provides technology tools and services to support the City’s staff, City Council members and residents, and manages the City’s network infrastructure and telecommunication services, including voice, data and video communications. The Public Works Department oversees the waste management franchise, which is part of the Integrated Waste Management program.

STAFFING
FULL-TIME EQUIVALENTS (FTE)

Program	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Actuals	FY 2011/12 Adopted	Change from Prior Year	FY 2012/13 Adopted	Change from Prior Year
City Manager							
Administration	3.150	3.150	3.150	2.100	-1.050	2.100	0.000
Public Information	0.200	0.000	0.000	0.000	0.000	0.000	0.000
Cable Television	0.050	0.050	0.050	0.000	-0.050	0.000	0.000
Econ Development	0.250	0.450	0.450	0.000	-0.450	0.000	0.000
Subtotal	3.650	3.650	3.650	2.100	-1.550	2.100	0.000
Administrative Services							
Administration	3.120	2.920	2.870	2.870	0.000	2.870	0.000
Accounting	5.575	5.450	5.400	5.400	0.000	5.400	0.000
Financial Mgmt. and Budget	1.150	1.400	0.750	0.750	0.000	0.750	0.000
Purchasing	1.200	1.300	0.900	0.900	0.000	0.900	0.000
Treasury	2.350	2.350	2.350	2.350	0.000	2.350	0.000
Risk Management	1.350	0.850	0.800	0.800	0.000	0.800	0.000
Human Resources	3.000	1.650	1.400	1.400	0.000	1.400	0.000
Interdepartmental	0.200	0.200	0.150	0.150	0.000	0.150	0.000
Subtotal	17.945	16.120	14.620	13.620	-1.000	13.620	0.000
Information Technology							
Information Technology	7.500	7.500	7.500	7.500	0.000	7.500	0.000
Public Works							
Integrated Waste Mgmt.	0.200	0.200	0.200	0.200	0.000	0.200	0.000
TOTAL FTE	29.295	27.470	25.970	23.420	-2.550	23.420	0.000

*There will be a reduction of 1.0 FTE in Administrative Services during FY 2011/12; the specific position has yet to be determined.



2011-2013 Budget Program Area Summary



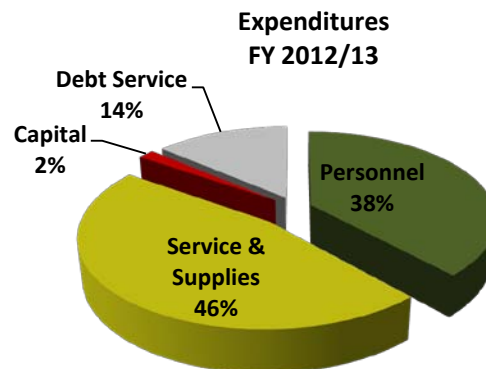
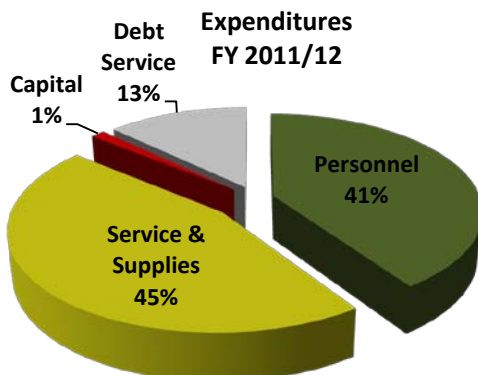
General Government - Management and Support Expenditures, All Funds: FY 2008/09 - FY 2012/13

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
City Manager Department							
City Manager Administration	558,467	613,826	561,982	400,718	-28.7%	403,730	0.8%
Cable Television*	180,327	117,841	193,311	-	-100.0%	-	0.0%
Public Information**	239,470	-	-	-	-	-	-
Economic Development***	125,913	94,627	122,501	-	-100.0%	-	0.0%
Total City Manager	1,104,177	826,294	877,794	400,718	-54.3%	403,730	0.8%
Administrative Services Dept							
Administrative Serv Administration	411,610	408,369	417,066	357,142	-14.4%	357,982	0.2%
Accounting and Payroll	616,873	625,385	623,470	546,882	-12.3%	477,452	-12.7%
Financial Planning and Budget	214,634	212,405	136,363	107,150	-21.4%	107,514	0.3%
Purchasing	187,214	166,738	114,231	100,682	-11.9%	101,660	1.0%
Human Resources	422,426	272,816	294,276	267,658	-9.0%	256,773	-4.1%
Treasury	387,217	394,369	390,444	431,260	10.5%	415,920	-3.6%
Risk Management	144,039	106,062	104,662	105,090	0.4%	105,366	0.3%
Interdepartmental	2,122,143	2,125,934	2,417,179	2,432,463	0.6%	2,283,127	-6.1%
Debt Service	243,609	2,714,989	1,251,463	1,254,800	0.3%	1,312,000	4.6%
OCTA Fund Exchange	2,075,000	2,075,001	1,674,970	1,700,000	1.5%	1,700,000	0.0%
Total Administrative Services	6,824,765	9,102,068	7,424,124	7,303,127	-1.6%	7,117,794	-2.5%
Information Technology Dept							
Information Technology	2,175,514	1,779,720	2,293,322	1,887,387	-17.7%	1,924,938	2.0%
Total Information Technology	2,175,514	1,779,720	2,293,322	1,887,387	-17.7%	1,924,938	2.0%
Public Works Department							
Integrated Waste Management	102,068	355,757	72,230	87,440	21.1%	87,517	0.1%
Total Public Works	102,068	355,757	72,230	87,440	21.1%	87,517	0.1%
Total General Govt - Mgmt & Support	10,206,524	12,063,839	10,667,470	9,678,672	-9.3%	9,533,979	-1.5%

*The Cable Television program was moved to the City Clerk Department in FY 2011/12.

**The Public Information program was moved to the City Clerk Department in FY 2009/10.

***The Economic Development program was moved to the Community Development Department in FY 2011/12.



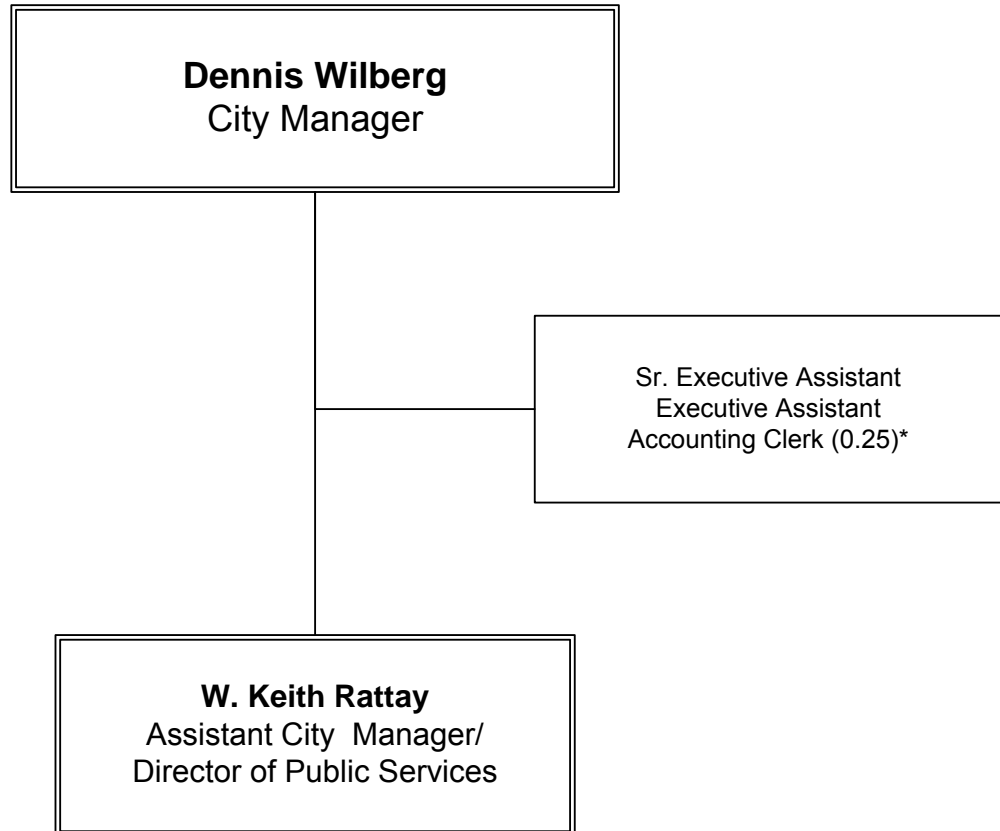
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CITY OF MISSION VIEJO
2011-13 Department Organizational Chart



CITY MANAGER



**The remaining 0.75 FTE for this position is in the Administrative Services Department.*



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	General Government/Management & Support
Department:	City Manager
Program:	Administration

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.

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.

Accomplishments, 2009-11:

- As part of overall efforts to reduce costs and improve productivity, reduced staffing levels by an additional five positions bringing the total reduction in staffing since FY 2007/08 to 17 FTE's at a total cost savings of approximately \$1.5 million.
- Completed a budget prioritization process that resulted in the delivery of a balanced budget for FY 2011/12 and FY 2012/13 that maintains discretionary reserves above City Council policy levels of 50%.
- Served as vice president of the Orange County City Managers' Association and served on numerous countywide and statewide committees related to pension reform, SB 375 and housing matters, and redevelopment reform.
- Hired a new Director of Library Services and a new Director of Administrative Services.
- Coordinated numerous citywide events such as Pacific Symphony Orchestra, Fourth of July Street Faire, Readers' Festival, Walk Against Drugs and Emergency Preparedness Expo, Santa's Arrival, Arts Alive, and the Memorial Day and Veterans Day ceremonies.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 % of residents satisfied with customer service provided by City staff	N/A	98%	N/A	98%

Performance Measure Notes:



**CITY OF MISSION VIEJO
2011-13 Program Summary**



City Manager Administration Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
City Manager Administration							
Personnel Services	519,425	516,353	490,682	359,238	-26.8%	362,250	0.8%
Services & Supplies	39,042	97,473	71,300	41,480	-41.8%	41,480	0.0%
Total City Manager Administration	558,467	613,826	561,982	400,718	-28.7%	403,730	0.8%

Objectives, 2011-13:

1. Review issues, policies and potential funding sources related to implementation of SB 375 (Redesigning Communities to Reduce Greenhouse Gases) by June, 2012.
2. Coordinate with a grant writing consultant to secure additional grant revenue for City programs, projects and services by June, 2012.
3. Participate in the review and update of the City's seven year Master Financial Plan by June, 2013.
4. Review and analyze proposed legislation and prepare letters to indicate City support or opposition based on consistency with the Legislative Platform by June, 2013.
5. Provide staff support for the Mayor and City Council on policy issues, budget matters, legislative questions, community relations and public affairs by June, 2013.
6. Serve as Interim Executive Director for the Mission Viejo Community Foundation (ongoing).
7. Serve as the Treasurer for the "Tee It Up Fore Marines" Golf Tournament benefitting Mission Viejo's adopted Marine Battalion by June, 2012.
8. Provide staff support for the Mayor and City Council on issues and concerns related to the Capistrano Unified School District (CUSD), Saddleback Valley Unified School District (SVUSD) and the Orange County Community College District (OCCCD) through June, 2013.
9. Coordinate and oversee implementation of the six, City Council approved, strategic planning goals through June, 2013.

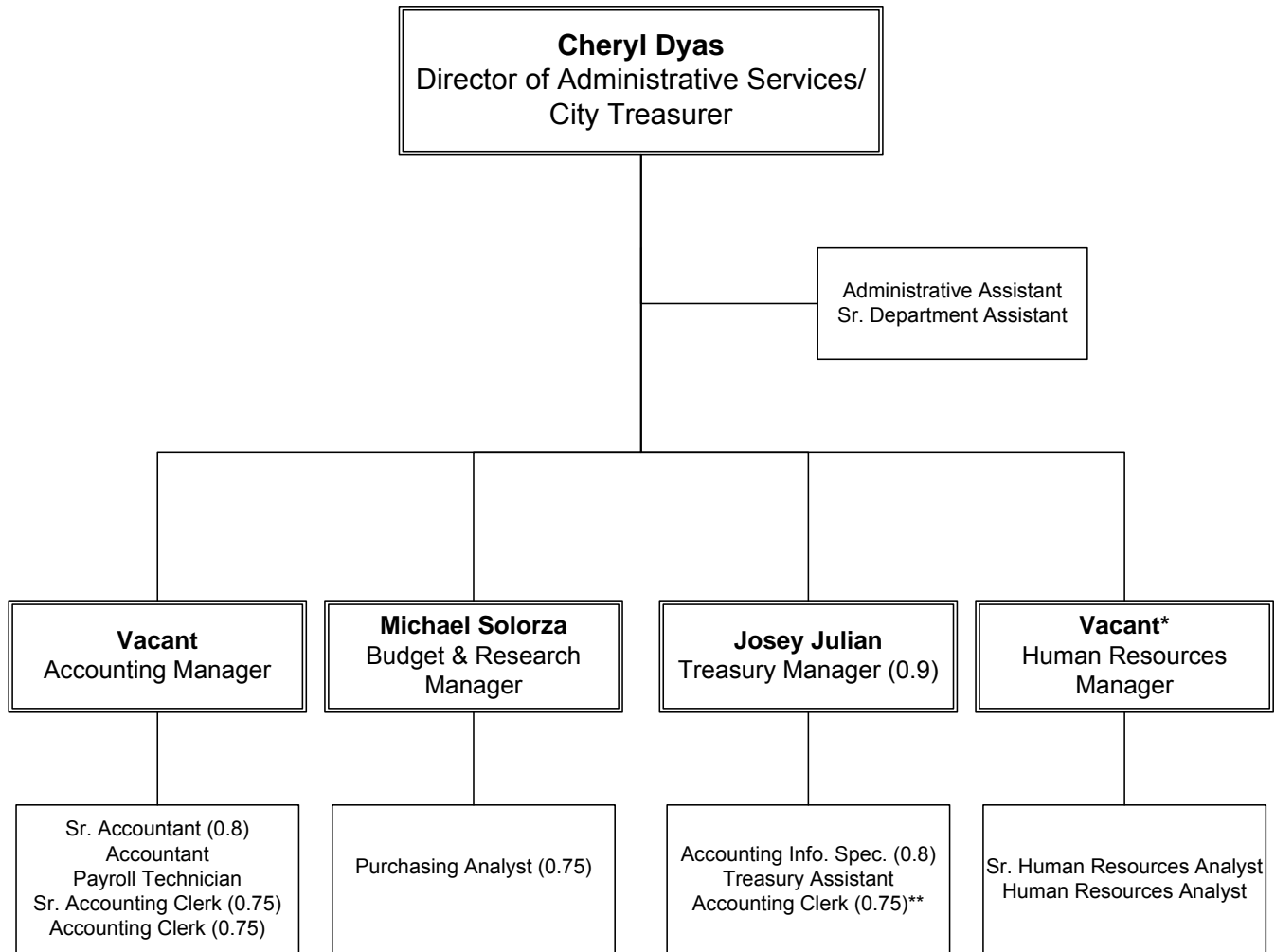
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CITY OF MISSION VIEJO
2011-13 Department Organizational Chart



ADMINISTRATIVE SERVICES DEPARTMENT



**In place of the Human Resources Manager position, consultant services are utilized to provide technical support to the Human Resources Division.*

***The remaining 0.25 FTE for this position is in the City Manager's Department.*



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	General Government/Management & Support
Department:	Administrative Services
Program:	Administration

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; managing the City’s central purchasing activities; coordinating the issuance of debt and managing outstanding debt; processing animal licenses; overseeing the financial information software (IFAS) with assistance from the Information Technology Department; providing financial services to the Community Development Agency (CDA) and Community Development Financing Authority (CDFA); 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.

Program Description:

Specifically, 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 managers; and represent 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).

Accomplishments, 2009-11:

- Oversaw the comprehensive review of the Administrative Services Department as part of an organizational review focused on increasing efficiencies and effectiveness of operations.
- Reviewed and responded to the Orange County Grand Jury report on public employee compensation.
- Reviewed and responded to the State Controller’s Office report on public employee compensation.
- Conducted nine Investment Advisory Commission (IAC) meetings.
- Reviewed the appropriateness of undesignated discretionary reserve levels as part of the 2011 Master Financial Plan update and 2011-13 budget preparation.

Performance Measures:					
	Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1	Bond rating – Issuer credit rating from Moody’s and Standard & Poor’s	Aa2/AAA	Aa2/AAA	Aa2/AAA	Aa2/AAA

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Administrative Services Administration Expenditures

Administrative Services Administration	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	383,218	397,471	372,271	343,121	-7.8%	342,927	-0.1%
Services & Supplies	28,392	10,898	44,795	14,021	-68.7%	15,055	7.4%
Total Administrative Services Admin	411,610	408,369	417,066	357,142	-14.4%	357,982	0.2%

Objectives, 2011-13:

1. Oversee the implementation of a realignment of duties and responsibilities within the department resulting from the proposed FY 2011/12 reduction in department staffing levels, by June, 2012.
2. Determine feasibility and implement an anonymous fraud/unethical conduct reporting mechanism in response to new risk assessment auditing standards of the American Institute of Certified Public Accountants and guidelines for improving internal controls promulgated by the Committee on Sponsoring Organizations of the Treadway Commission (COSO), by June, 2012.
3. Develop a program for conducting external reviews and/or management audits of City operating departments on a rotating basis, by June, 2013.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	General Government/Management & Support
Department:	Administrative Services
Program:	Accounting and 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.

Accomplishments, 2009-11:

- Completed the implementation of the cash receipts module in the City's financial software.
- Implemented the attaching of scanned in back up documentation to the financial records in the cash receipts module.
- Performed a physical inventory of all capital assets during the last two-year budget cycle.
- Reviewed cash handling procedures at all offsite locations.
- Recommended and implemented changes in cash handling processes.
- Implemented electronic payments of vendor invoices.
- Published old outstanding refundable bonds and deposits and recognized over \$100,000 from forfeitures

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 % of audits receiving unqualified opinions	100%	100%	100%	100%
2 % of invoices paid within 30 days of invoice date	82%	78%	80%	82%
3 # of manual checks issued	10	11	10	10
4 \$ amount of discounts taken*	\$20,913	\$18,719	\$10,000	\$10,000
5 % of legally required reports completed and filed timely	100%	100%	100%	100%
6 # of calendar days following year-end until CAFR issued	136	135	135	135
7 # of awards received for Financial Reporting / # of award applications since 1988	38 / 38	39 / 39	40 / 40	40 / 40
8 % of payroll checks issued timely	100%	100%	100%	100%

Performance Measure Notes:

*The reduction in projected discounts is due to renegotiation of the building services contract.



CITY OF MISSION VIEJO
2011-13 Program Summary



Accounting and Payroll Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Accounting and Payroll							
Personnel Services	515,776	528,555	525,011	449,597	-14.4%	378,552	-15.8%
Services & Supplies	101,097	96,830	98,459	97,285	-1.2%	98,900	1.7%
Total Accounting and Payroll	616,873	625,385	623,470	546,882	-12.3%	477,452	-12.7%

Objectives, 2011-13:

1. Implement GASB Statement #54 – Fund Balance Reporting and Governmental Fund type Definitions – for the fiscal year ended June 30, 2011 by November, 2011.
2. Implement the process of paying vendors by electronic funds transfer (EFT) by December, 2011.
3. Implement the section of the Patient Protection and Affordable Care Act of 2010 requiring the disclosure to employees of the cost of their employer-sponsored group health plan coverage on their IRS form W-2 by January, 2012.
4. Implement the various other sections of the Patient Protection and Affordable Care Act of 2010 relating to payroll as required by June, 2013.
5. Perform a physical inventory of all capital assets at City Hall, the Norman P. Murray Community and Senior Center, the animal shelter and one half of the City parks by June, 2013.
6. Perform a physical inventory of all capital assets at the library, all recreation centers, the corporate yard and one half of the City parks by June, 2012.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	General Government/Management & Support
Department:	Administrative Services
Program:	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 adjustment 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 (IFAS), 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.

Accomplishments, 2009-11:

- Updated the Master Financial Plan (MFP) to better identify "one-time" versus "ongoing" revenue sources and expenditure items in order to provide a clear picture of the City's true, continuing revenue and expenditures.
- Completed Budget Prioritization Project and utilized results to develop 2011-13 budget.
- Successfully and seamlessly transitioned new Budget and Research Manager into budget and purchasing related duties.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # of budget awards received since 1988	36	36	38	38
2 # of budget adjustments processed/% posted w/in 5 days of final approvals	523 / 100%	500 / 100%	500 / 100%	500 / 100%
3 % General Fund actual expenditures and encumbrances of:				
• Amended operating budget	99%	99%	99%	99%
• Amended capital budget	90%	95%	95%	95%

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Financial Planning & Budget Expenditures

Financial Planning and Budget	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	188,394	207,536	119,008	103,140	-13.3%	103,504	0.4%
Services & Supplies	26,240	4,869	17,355	4,010	-76.9%	4,010	0.0%
Total Financial Planning and Budget	214,634	212,405	136,363	107,150	-21.4%	107,514	0.3%

Objectives, 2011-13:

1. Accomplish a seamless transition of the new Budget and Research Manager in preparing and presenting a budget for 2011-13 for adoption by July, 2011.
2. Update the Master Financial Plan (MFP) to reflect projected expenditures and revenues for use in future budget planning by December, 2011.
3. In conjunction with the Public Services Department, update the Facility Rehabilitation and Replacement (FR&R) and Computer, Equipment, Furnishings, Equipment (CEFV) funds to accurately reflect annual funding needs and depreciation amounts by January, 2012.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	General Government/Management & Support
Department:	Administrative Services
Program:	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 of 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 (IFAS). The disposal of surplus property by sale, trade-in, auction or other means is another responsibility of Purchasing.

Accomplishments, 2009-11:

- In conjunction with the City Attorney and the City Clerk’s office, completed revisions to all City Contract and Amendment templates over \$30,000 to include the e-Verify compliance statement mandated by Municipal Code Sec. 2.80.050. All the new templates were placed on the Intranet for easy access by all City departments.
- After a favorable outcome of the CAL-Card (purchase card) pilot program, CAL-Cards were issued to additional staff.
- Worked with the Information Technology Department testing purchasing functions of the iFAS software upgrade prior to going "live."

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 % / total # of purchase orders and change orders printed within 48 hours	98% / 358	98% / 271	99% / 360	99% / 360
2 # of surplus property items processed	157	75	250	250
3 \$ from sale of surplus property items	\$6,042	\$3,311	\$5,000	\$5,000
4 \$ saved from additional pricing analyses	\$4,388	\$802	\$32,000*	\$3,500*
5 # items using recycled paper content or recyclable components	10	9	13	13

Performance Measure Notes:

**Xerox recently introduced a new line of digital printer/copiers that provides a substantial savings from prior models.*



CITY OF MISSION VIEJO
2011-13 Program Summary



Purchasing Expenditures

Purchasing	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	183,522	164,082	111,296	97,747	-12.2%	98,025	0.3%
Services & Supplies	3,692	2,656	2,935	2,935	0.0%	3,635	23.9%
Total Purchasing	187,214	166,738	114,231	100,682	-11.9%	101,660	1.0%

Objectives, 2011-13:

1. Process proposed ordinance changes regarding competitive bidding practices and document retention by December, 2012.
2. Assist the Public Services Department in determining needs and bidding for supplies and equipment for emergency preparedness efforts by March, 2012.
3. Evaluate additional opportunities to use the CAL-Card for other expenses, such as online office supply ordering, by March, 2012.
4. Continue to evaluate opportunities for using recycled products through June, 2013.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	General Government/Management & Support
Department:	Administrative Services
Program:	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.

Accomplishments, 2009-11:

- Implemented an on-line recruitment management system that: streamlined the recruitment process, increased the number of applicants, significantly reduced the use of paper, and met the goal of compressing the selection process to under 45 days from filing deadline to employment offer.
- Coordinated contract amendment process with Public Employees Retirement System (PERS) to implement the retirement formula of 2%@age 60 for new hires (those hired after July 9, 2011).
- Completed survey of all Orange County cities regarding their intent to implement 2nd Tier retirement plans.
- Revised the Retiree Insurance Program by modifying the method of calculating benefits for employees who have worked at various FTE levels during their employment; providing full benefit for any employee who has worked full-time for the minimum of twelve years.
- Revised eighteen Personnel Policies and coordinated a process that allowed all city employees to review and comment before final revision. Submitted to City Council for adoption in November 2009. Participated in the process to amend Administrative Regulations.
- Completed over 150 Personnel Action Notices on time to implement city-wide 1% salary increase in July 2010.
- Completed the Human Resources Continuity Plan for the Anaheim/Santa Ana Urban Area (ASAUA) Collaborative.
- Established a Volunteer Internship Program, in cooperation with educational institutions, to provide college students with meaningful work experience and exposure to public service careers.
- Human Resources Analyst designated as the Trust Administrator to administer Supplemental Health Account for Retired Employees' claim payments.
- Successfully coordinated both annual employee recognition luncheons under budget.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 % of FTE turnover	4.1%	7.3%	3.7%	4.0%
2 # of employees on payroll	263	255	250	245
3 % of recruitments resulting in a hiring	93%	85%	94%	92%
4 # of days from close of recruitment to conditional offer of employment	34	22	40	35
5 Average service time (in years) for permanent/regular employees	8.88	9.53	10.15	10.80



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Human Resources Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Human Resources							
Personnel Services	321,995	238,862	224,986	153,438	-31.8%	153,853	0.3%
Services & Supplies	100,431	33,954	69,290	114,220	64.8%	102,920	-9.9%
Total Human Resources	422,426	272,816	294,276	267,658	-9.0%	256,773	-4.1%

Objectives, 2011-13:

1. Utilize NeoGOV for all recruitments by September, 2011.
2. Implement second retirement tier for new hires by September, 2011.
3. Assist departments with implementing human resource related organizational assessment recommendations by September, 2011.
4. Implement strategies to have all employees complete their required AB1825 anti-harassment training via no-cost methods by December, 2011.
5. Assist with data collection for Other Post-Employment Benefit (OPEB) Valuation by outside consultant by March, 2012.
6. Implement a Volunteer Internship Program, in cooperation with educational institutions, to provide college students with meaningful work experience and exposure to public service careers by March, 2012.
7. Propose alternative strategies to reduce benefit program costs and enhance efficiency by June, 2012.
8. Evaluate and implement revised Personnel Policies by September, 2012.
9. Examine current benefit program design to ensure the City is in compliance with all applicable healthcare reform measures generated by the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act by March, 2013
10. Study feasibility of integrating human resource systems with payroll and budgeting systems by June, 2013.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	General Government/Management & Support
Department:	Administrative Services
Program:	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 Community Development Agency (CDA) and Community Development Financing Authority (CDFA) 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.

Accomplishments, 2009-11:

- Reviewed feasibility of implementing automation enhancements to current invoicing methods.
- Conducted User Fee Study and updated certain fees based on results.
- Expanded the use of on-line payment processing at Mission Viejo Library.
- Added on-line payment processing of Community Development services such as building permits and plan checks.
- Completed five year Community Development Agency Implementation Plan for 2010-2014.
- Reviewed Community Development Agency options based on passage of redevelopment agency elimination legislation.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 % of investments made in compliance with Investment Policy	100%	100%	100%	100%
2 Twelve month total rate of return/City portfolio	1.86%	1.10%	1.50%	1.60%
3 Average duration of City portfolio	.99	1.11	1.0	0.9
4 Basis point (BP) spread between portfolio return and benchmark	9	20	10	10
5 # of active dog licenses	21,000	21,450	21,650	21,900
6 % population with dog licenses	10%	10%	10%	10%
7 % of dog license renewals issued timely	100%	100%	100%	100%

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Treasury Expenditures

Treasury	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	313,619	313,737	307,337	314,475	2.3%	315,365	0.3%
Services & Supplies	73,598	80,632	83,107	116,785	40.5%	100,555	-13.9%
Total Treasury	387,217	394,369	390,444	431,260	10.5%	415,920	-3.6%

Objectives, 2011-13:

1. Establish guidelines for credit card policies and procedures and conduct training to maximize efficiency and reduce costs by June, 2012.
2. Create IFAS 7i tutorials and "How to Guides" for the most commonly used reports and post them on the Intranet for easy access by all City staff by June, 2012.
3. Update Treasury operations procedure manuals for all positions and cross-train within Treasury division by September, 2012.
4. Assist in the mid-year review of the 2010-2014 five-year Community Development Agency (CDA) Implementation Plan by December, 2012.
5. Review feasibility of implementing bar coding on all City invoices and payments to improve processing by June, 2013.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	General Government/Management & Support
Department:	Administrative Services
Program:	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.

Accomplishments, 2009-11:

- Provided CJPIA Respirator Certification training for six employees in the Facilities Maintenance Division at Fountain Valley, Playground Maintenance training for three employees in the Landscape Division at Dana Point, and Traffic Control for Safe Work Zones training for three employees in the Landscape Division at Lakewood.
- Hosted CJPIA training Hearing Conservation/Heat Stress and Bloodborne Pathogens/Fire Extinguisher Operation for forty-seven employees at City Hall.
- Hosted CJPIA “Worker’s Compensation 101” training for twenty managers and supervisors at City Hall.
- Created Fitness for Duty Certification form for Senior Community Activity Team (SCAT) volunteers for the Police Services Department.
- Conducted annual safety and risk management inspection of City facilities.
- Created monthly Automated External Defibrillator (AED) monthly inspection/maintenance log to be used at City facilities.
- Assisted California Joint Powers Insurance Authority (CJPIA) staff in preparation of Risk Management Evaluation.
- Assisted departments in preparation of responses to demands for information related to claims.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 Total cost of risk (insurance premiums, claim costs, program administration) in millions	\$1.43	\$1.37	\$1.30	\$1.30
2 Total cost of risk as % of operating budget	2.8%	2.8%	2.3%	2.3%
3 # of liability claims filed	22	20	18	18
4 # of Workers’ Compensation claims filed	8	6	7	7
5 # of calendar days missed from work due to work-related injuries	0	13	6	6
6 # of vehicle accidents involving City Employees	0	0	0	0

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Risk Management Expenditures

	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	% Change	FY 2012/13	% Change
	Actual	Actual	Adopted	Adopted	from Prior	Adopted	from Prior
					Year		Year
Risk Management							
Personnel Services	141,890	105,971	96,902	97,400	0.5%	97,676	0.3%
Services & Supplies	2,149	91	7,760	7,690	-0.9%	7,690	0.0%
Total Risk Management	144,039	106,062	104,662	105,090	0.4%	105,366	0.26%

Objectives, 2011-13:

1. Implement strategies to have all employees complete their required safety and workers' compensation training via no-cost methods by January, 2012.
2. Continue to work with Department Heads to identify worthwhile education and training opportunities by June, 2012.
3. Develop employee safety manual incorporating current safety policies by December, 2012.
4. Develop employee safety new hire orientation checklist to be used by each department by June, 2013.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	General Government/Management & Support
Department:	Administrative Services
Program:	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.

Accomplishments, 2009-11:

- Evaluated, purchased, and installed a total of two replacement copiers at City Hall and the Library considerably under the adopted budget.
- Evaluated office supply companies to provide a list of vendors for each department to select from to determine the best available price for each item purchased.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 % of copier/equipment maintenance requests resolved in 6 hours or less	69%	67%	80%	80%
2 \$ rebates received as a result of timely CAL Card payments	\$890	\$598	\$1,500	\$1,500

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Interdepartmental Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Interdepartmental							
Personnel Services	692,495	695,260	889,660	1,104,323	24.1%	892,362	-19.2%
Services & Supplies	1,429,648	1,430,674	1,462,519	1,327,840	-9.2%	1,390,765	4.7%
Capital Outlay	-	-	65,000	-	-100.0%	-	0.0%
Total Interdepartmental	2,122,143	2,125,934	2,417,179	2,432,163	0.6%	2,283,127	-6.1%

Objectives, 2011-13:

1. Explore the feasibility of recovering possible overcharges by the County of Orange/Auditor-Controller for property tax administration fees, by June, 2012.
2. Assess usage and costs of central kitchen supplies to identify potential savings by December, 2012.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	General Government/Management & Support
Department:	Administrative Services
Program:	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. The debt service on the 1999 CDFA Series C bonds is not a City obligation, but rather is supported by special property taxes received from property owners in the Mission Viejo Freeway Center.

Accomplishments, 2009-11:

- Debt service payments on Library Certificates of Participation, Mall improvement project bonds, and City Hall bonds were paid in advance of due dates and all bond compliance requirements were met.
- Dissolved Mission Viejo Public Improvement Corporation.
- Refunded 1996 Certificates of Participation (Library Construction Project) and 2001 Lease Revenue Bonds (City Hall/Library Expansion Project) to secure lower interest rates and achieve \$785,899 in debt service savings.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 % of debt service payments paid timely	100%	100%	100%	100%
2 Net direct debt per capita	174.58	170.17	178.75	173.94
3 Net direct debt per assessed valuation (i.e., net debt burden)	0.131%	0.131%	0.130%	0.129%
4 Debt service on General Fund obligations as a percent of General Fund revenues (i.e., net lease burden)	2.83%	2.88%	2.60%	2.57%

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Debt Service Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Debt Service							
Services & Supplies	10,259	11,412	8,600	12,800	48.8%	8,000	-37.5%
Debt Service	233,350	2,703,577	1,242,863	1,242,000	-0.1%	1,304,000	5.0%
Total Debt Service	243,609	2,714,989	1,251,463	1,254,800	0.3%	1,312,000	4.6%

Objectives, 2011-13:

1. Make timely debt service payments on outstanding bonds within five days of receipt of the invoice (ongoing).
2. Perform arbitrage calculations on outstanding bond issues pursuant to IRS regulations by September, 2011.
3. Review opportunities for higher yields in the Debt Service Reserve accounts of the various bond issues while maintaining safety and liquidity by December, 2012.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	General Government/Management & Support
Department:	Administrative Services
Program:	OCTA Gas Tax Exchange

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. Prior to May 1 of each year, the OCTA and the City agree on an amount to be exchanged in the subsequent fiscal year.

Accomplishments, 2009-11:

- In response to suggestions from auditors, updated use of Gas Tax exchange funds in order to maximize their use on capital projects vs. operating expenses.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 % of quarterly payments made on time	100%	100%	100%	100%

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



OCTA Gas Tax Exchange Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
OCTA Fund Exchange							
Services & Supplies	2,075,000	2,075,001	1,674,970	1,700,000	1.5%	1,700,000	0.0%
Total OCTA Fund Exchange	2,075,000	2,075,001	1,674,970	1,700,000	1.5%	1,700,000	0.0%

Objectives, 2011-13:

See the program description on the facing page for information on the ongoing activities of this program.

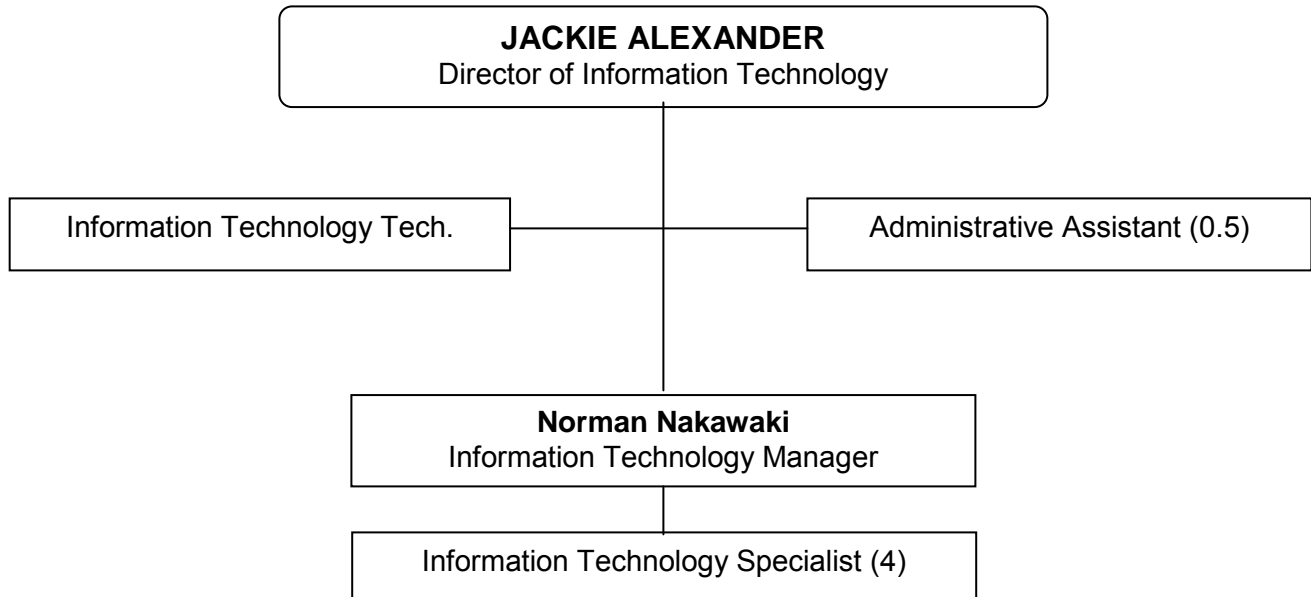
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CITY OF MISSION VIEJO
2011-13 Department Organizational Chart



INFORMATION TECHNOLOGY DEPARTMENT





CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	General Government/Management & Support
Department:	Information Technology
Program:	Information Technology

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; MDTV 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.

Accomplishments, 2009-11:

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 Number of nodes supported in total and per Information Technology Specialist/Technician	793 / 158	819 / 164	845 / 169	871 / 174
2 Number of applications supported	260	295	334	378
3 Number of user accounts	310	314	318	322
4 Number of user requests submitted	3,951	4,768	5,753	6,941
5 Number of users without a desktop for more than two hours	0	0	0	0
6 Unplanned network down time in hours	0	0	0	0

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Information Technology Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Information Technology							
Personnel Services	881,230	851,835	844,097	866,337	2.6%	868,788	0.3%
Services & Supplies	1,141,238	874,945	974,225	896,050	-8.0%	896,150	0.0%
Capital Outlay	153,046	52,940	475,000	125,000	-73.7%	160,000	28.0%
Total Information Technology	2,175,514	1,779,720	2,293,322	1,887,387	-17.7%	1,924,938	2.0%

Objectives, 2011-13

1. Complete an update to the Information Technology Strategic Plan by December, 2011.
2. Evaluate and move to Cloud Services with appropriate information technology systems and applications by June, 2013.
3. Upgrade the City Library's circulation system by June, 2012.
4. Review upgrade or replacement options for the City's Financial System (Bi-Tech SunGard's IFAS software) by June, 2012.
5. Implement Digital Media Management to assist with digital signage throughout City facilities by September, 2011.
6. Evaluate systems for the Economic Development team that will provide statistics for the business community by June, 2012.
7. Integrate the City's Geographic Information System (GIS) with the Electronic Document Management System to provide centralized access to documents for each address location by June, 2013.
8. Assist the Traffic Division with implementing the new Intelligent Transportation System project by December, 2012.
9. In cooperation with Public Works, implement additional redundancies in the City's fiber network at three locations (City Hall entrance, La Paz and Marguerite, and La Paz and Olympiad) by December, 2012.
10. Assist the City Clerk with the Community Relations function by providing online services such as communication through the City's website and blog, YouTube, Facebook, and Twitter (ongoing).
11. Maintain, schedule and conduct testing of the disaster recovery setup at the San Diego Collocation site (ongoing).



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	General Government/Management & Support
Department:	Public Works
Program:	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.

Accomplishments, 2009-11:

- Developed and issued a request for proposals (RFP) for an integrated solid waste management services contract.
- Negotiated a new eight-year franchise agreement for integrated solid waste management services that provided residents with a 13.5% decrease in trash rates while offering expanded services.
- Implemented a pilot program to encourage residents to use reusable shopping bags in place of single-use plastic bags by providing education and outreach at numerous events and by distributing over 5,000 complimentary reusable shopping bags.
- In partnership with the City's waste hauler, implemented 18 new recycling programs which added a total of 150 recycling bins at commercial centers and multi-family developments in the City.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 Annual City diversion/recycling rate (mandated minimum 50%)*	68%	68%	68%	68%
2 Pounds of hazardous household waste (HHW) collected annually	18,971	12,312	15,500	15,500
3 % of multi-family facilities with recycling programs	83%	90%	95%	100%
4 Mission Viejo residential trash rate/county average	\$14.00 / \$16.58	\$12.11 / \$16.58	\$12.11 / \$17.41	\$12.71 / \$18.28
5 # of “Sharps Disposal by Mail” kits issued	213	202	220	230
6 Dollars donated to the Library by the City’s franchise waste hauler	\$4,211	\$4,589	\$4,600	\$4,800

Performance Measure Notes:

**Diversion rate is based on calendar year.*



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Integrated Waste Management Expenditures

Integrated Waste Management	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	27,161	26,424	26,030	26,440	1.6%	26,517	0.3%
Services & Supplies	74,907	145,491	46,200	61,000	32.0%	61,000	0.0%
Capital Outlay	-	183,842	-	-		-	
Total Integrated Waste Management	102,068	355,757	72,230	87,440	21.1%	87,517	0.1%

Objectives, 2011-13:

1. Continue to provide education and outreach to the community to reduce the use of single-use plastic and paper bags in the City by encouraging residents to use reusable shopping bags (ongoing).
2. Continue to work with the City's solid waste hauler to implement and expand recycling programs at ten commercial centers by June, 2013.
3. In conjunction with Public Services and other key departments, develop a method to increase recycling at all City facilities by June, 2012
4. In coordination with Public Services, continue to expand the City's bottle and can recycling program by increasing the number of collection containers in public places (ongoing).
5. In partnership with Mission Viejo schools, conduct five E-Waste collection events by June, 2013.



CITY OF MISSION VIEJO
2011-13 Operating Program Areas Summary



PUBLIC SAFETY

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.

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, and managing the supply inventory and system readiness of the City's Emergency Operations Center at City Hall.

STAFFING
FULL-TIME EQUIVALENTS (FTE)

Program	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Adopted	FY 2011/12 Adopted	Change from Prior Year	FY 2012/13 Adopted	Change from Prior Year
Police Services*	0.150	0.150	0.150	0.150	0.000	0.150	0.000
Public Works							
Crossing Guards	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Public Services							
Animal Services	15.300	15.550	14.550	15.250	0.700	15.250	0.000
Emergency Preparedness	0.800	0.800	0.800	0.800	0.000	0.800	0.000
Subtotal	16.100	16.350	15.350	16.050	0.700	16.050	0.000
TOTAL FTE	16.250	16.500	15.500	16.200	0.700	16.200	0.000

*The majority of staffing in Police Services is provided by the Orange County Sheriff's Department (OCSD), the FTE shown here represent the portion of administrative support provided to Police Services by the Public Services Department.



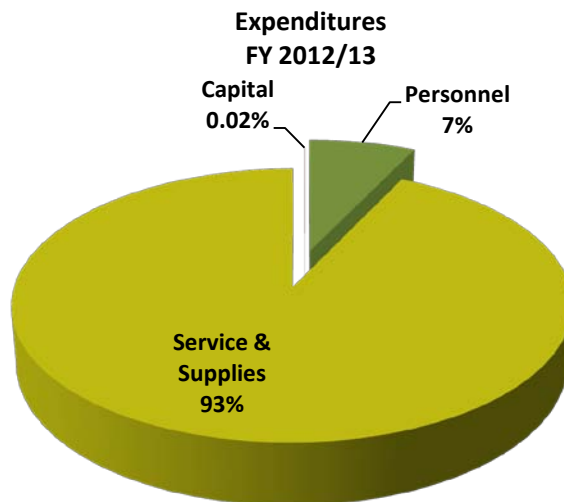
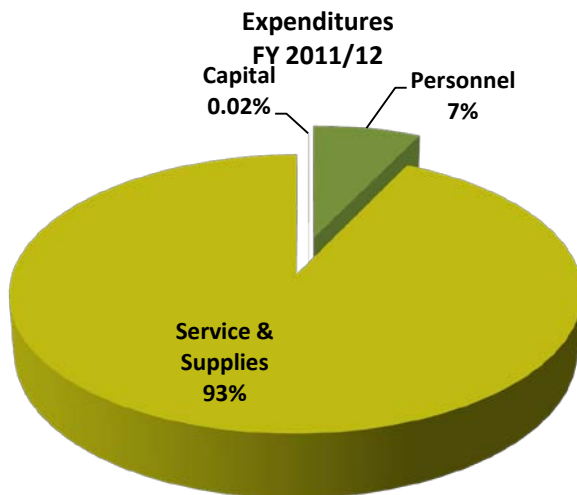
2011-2013 Budget Program Area Summary



Public Safety Expenditures, All Funds: FY 2008/09 - FY 2012/13

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted*	% Change from Prior Year	FY 2012/13 Adopted*	% Change from Prior Year
Police Services Department*							
Police Administration	976,173	1,984,282	15,146,680	15,233,485	0.6%	15,482,546	1.6%
Patrol Services	6,841,124	6,663,096	-	-	0.0%	-	0.0%
Traffic	2,334,039	2,028,051	145,000	83,000	-42.8%	83,000	0.0%
Crime Prevention	1,090,395	1,042,636	58,480	58,480	0.0%	58,480	0.0%
Investigation	1,423,095	1,452,323	-	-	0.0%	-	0.0%
Police Services Supervision	1,733,727	1,726,880	-	-	0.0%	-	0.0%
Parking Enforcement	215,841	202,046	-	-	0.0%	-	0.0%
Total Police Services	14,614,394	15,099,314	15,350,160	15,374,965	0.2%	15,624,026	1.6%
Public Works Department							
Crossing Guards	374,597	350,830	370,500	365,500	-1.3%	365,500	0.0%
Total Public Works	374,597	350,830	370,500	365,500	-1.3%	365,500	0.0%
Public Services Department							
Animal Services	1,401,307	1,431,316	1,445,236	1,449,016	0.3%	1,474,640	1.8%
Emergency Preparedness	184,258	186,611	163,629	158,976	-2.8%	159,356	0.2%
Street Lighting	913,671	914,825	872,179	872,600	0.0%	922,500	5.7%
Total Public Services	2,499,236	2,532,752	2,481,044	2,480,592	0.0%	2,556,496	3.1%
Total Public Safety	17,488,227	17,982,896	18,201,704	18,221,057	0.1%	18,546,022	1.8%

*The Police Services budget is distributed to individual police programs following budget adoption.





**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Public Safety
Department:	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 law 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: Administration

Program Description:

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.

Program: Patrol Services

Program Description:

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.

Program: Traffic Enforcement Services

Program Description:

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.

Program: Crime Prevention

Program Description:

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.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	Public Safety
Department:	Police Services

Program: Investigation Services

Program Description:

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.

Program: Supervision

Program Description:

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.

Program: Parking Enforcement

Program Description:

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

Program: School Resources

Program Description:

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.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Public Safety
Department:	Police Services
Program:	All

Accomplishments, 2009-11:

- Developed the annual Shred Event which gives residents the opportunity to avoid becoming victims of fraud and identity theft by shredding all their bills and confidential paperwork.
- Increased educational and safety programs such as Internet Safety for Parents, the Parent Project, Senior Fraud Scams, and Teens and Social Trends.
- Increased participation by 15% in the Neighborhood Watch Programs, with a total of 234 participants.
- Experienced an 11% decrease in traffic accidents over the past two years.
- Experienced a 7% decrease in Part I** crimes over the past two years.
- Converted the sergeant's car into an SUV equipped with a Mobile Command Post to enhance emergency response capabilities.
- Completed individual first responder binders' to each deputy enabling them to have overhead maps and emergency contacts for all major venues in the city.

Performance Measures:*				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # of calls for service	41,788	38,152	40,000	40,000
2 # of arrests made citywide	2,349	2,234	2,300	2,300
3 # of Part 1 crimes**	1,259	1,206	1,200	1,200
4 Average preventative patrol time***	47%	44%	45%	45%
5 Average response time for Priority 1 calls from dispatch to scene (minutes)	5:26	5:31	5:30	5:30
6 Traffic enforcement Index (citations / accident ratio)	32%	29%	30%	30%
7 # of volunteer hours	6,678	6,404	6,500	6,500

Performance Measure Notes:

**Measures are based on calendar year statistics (i.e., FY 2009/10 reflects calendar year 2009).*

***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.*



CITY OF MISSION VIEJO
2011-13 Program Summary



Police Services Expenditures

Police Services	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	21,360	21,247	20,911	21,055	0.7%	21,116	0.3%
Services & Supplies	14,408,487	14,996,530	15,299,249	15,353,910	0.4%	15,602,910	1.6%
Capital Outlay	184,547	81,537	30,000	-	-100.0%	-	0.0%
Total Police Services	14,614,394	15,099,314	15,350,160	15,374,965	0.2%	15,624,026	1.6%

Objectives, 2011-13:

1. Traffic safety will be emphasized through the analysis of traffic collision data and the education of residents through traffic enforcement, with the ultimate goal being reduction in the number of traffic collisions citywide by December, 2011 and December, 2012.
2. Decrease the occurrence of property crimes such as burglary and theft from vehicles, through directed enforcement and education of residents in identified problem areas by December, 2011.
3. Increase the use of social media to promote public safety and emergency preparedness by December, 2012.
4. Expand volunteer programs (Explorers and Senior's Community Activity Team, SCAT) and use them in key areas that will provide a cost savings to the City by June, 2012.
5. Increase Driving Under the Influence (DUI) enforcement patrols and subsequent arrests, which will have a positive impact on injury accidents and community safety by December, 2011.
6. Decrease occurrences of vandalism and tagging through the proactive use of the Sheriff's TAGRS database, which organizes all vandalism data and enables investigators to prosecute suspects for multiple past vandalisms by December, 2012.
7. Increase the clearance rate for all Part 1 crimes (Homicide, Rape, Robbery, Assault, Burglary, Larceny, and Auto Theft) by December, 2011 and December, 2012.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Public Safety
Department:	Public Works
Program:	Crossing Guards

Program Description:

This program manages the contract which provides crossing guard service 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 requests for adding crossing guards to new intersections and evaluates existing assignments of guards. These requests and evaluation findings are reported to the Planning and Transportation Commission.

Accomplishments, 2009-11:

- Provided oversight for the Citywide Crossing Guard program that provides assistance to students at 17 schools.
- Improved the traffic circulation at Castille Elementary School by relocating the crossing guard at the intersection of Puerta de Luz and Via La Coruna from the southeast corner to the southwest corner. Additional signing, striping and parent driver education components were implemented to minimize the pedestrian / vehicular conflicts at the intersection.
- At the request of Bathgate Elementary School, the existing crossing guard at Ridgemark and Barbadianes was evaluated and relocated to Ridgemark and Napoli to efficiently utilize the city's crossing guard services at a location with increased pedestrian activity.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 % of eligible schools where crossing guard service is provided	100%	100%	100%	100%
2 # of crossing guards serving school	36	36	36	36
3 # of crossing guards locations	29	29	29	29
4 # of crossing guard requests reviewed by Traffic Committee	1	4	2	2

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Crossing Guards Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Crossing Guards							
Services & Supplies	374,597	350,830	370,500	365,500	-1.3%	365,500	0.0%
Total Crossing Guards	374,597	350,830	370,500	365,500	-1.3%	365,500	0.0%

Objectives, 2011-13:

1. Recognize, through a City Council resolution, the Outstanding Crossing Guard(s) for the 2010-11 school year and the 2011-12 school year, by July, 2011 and July, 2012, respectively.
2. Review existing crossing guard locations for continuing need and staffing levels by December, 2011 and December, 2012.
3. Update existing crossing guard contract/City policy to allow for greater flexibility of guard placement based on need by December, 2011.
4. Submit proposed crossing guard location changes to the Traffic Committee for review and recommendation to the Planning and Transportation Commission (ongoing).



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Public Safety
Department:	Public Services
Program:	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.

Accomplishments, 2009-11:

- Enhanced the volunteer training program by adding a level of advancement and increasing volunteer knowledge of dog training methods and techniques.
- Established a comprehensive animal behavior evaluation system, increasing staff's awareness of animals' needs and behaviors, protecting and assisting volunteers with information needed to aide them in handling the animal, and assuring a successful adoption.
- Increased public presentations and participation at events in Mission Viejo, Aliso Viejo and Laguna Niguel, increasing public education of Animal Services role in the community including dog bite prevention, proper pet care, wildlife safety, pet licensing, emergency preparedness, and volunteer opportunities.
- Prepared an Animal Service website video educating the public on emergency preparedness for animals.
- Conducted emergency planning meetings for animal sheltering in order to develop a plan for animals during a disaster.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 Total domestic animals impounded	1,304	1,300	1,300	1,300
2 Total dead animals & wildlife impounded	1,293	1,000	1,200	1,200
3 % of animals adopted	51%	56%	55%	55%
4 % of animals returned to owner	34%	30%	33%	33%
5 # Field service call responses	8,914	8,000	8,000	8,000
6 # of barking dog complaints	897	400	800	800
7 # of kittens & puppies fostered by volunteers	170	200	180	180
8 Total # volunteers/Total hours	165 / 15,808	110 / 12,000	110 / 12,000	110 / 12,000
9 Animal medical care provided by the Dedicated Animal Welfare Group (DAWG)	\$85,000	\$79,000	\$85,000	\$85,000

Performance Measure Notes:



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Animal Services Expenditures

Animal Services	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	1,063,677	1,132,361	1,192,323	1,148,416	-3.7%	1,174,040	2.2%
Services & Supplies	328,258	289,018	252,913	300,600	18.9%	300,600	0.0%
Capital Outlay	9,372	9,937	-	-	0.0%		0.0%
Total Animal Services	1,401,307	1,431,316	1,445,236	1,449,016	0.3%	1,474,640	1.8%

Objectives, 2011-13:

1. Establish a program to increase the adoption rate of “senior cats” (i.e., those seven years or older) by reducing the adoption fee for these cats by fifty percent by August, 2011.
2. Increase public awareness and compliance of dog licensing requirements in Mission Viejo, Laguna Niguel and Aliso Viejo by attending outside vaccination clinics and increasing licensing through communication with local veterinarians who routinely vaccinate for rabies control by January, 2012.
3. Increase compliance with the regulation limiting the maximum number of animals allowed in a residential home through increased contact and educational outreach with residents that leads to the purchase of a kennel permit as required by City regulations by January, 2013.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	Public Safety
Department:	Public Services
Program:	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).

Accomplishments, 2009-11:

- Hosted the 2009 Teen Emergency Preparedness Academy and functional exercise, which trained young adults in various topics in emergency preparedness such as first aid, CPR, AED, light search and rescue, fire suppression, terrorism awareness, City emergency response, earthquake preparedness, crisis psychology, and utility and water safety during a disaster.
- Completed Federal Emergency Management Agency (FEMA) and California Emergency Management Disaster Assistance Applications resulting in approval for reimbursement for damage related to the January 2010 and December 2010 Winter Storms.
- Completed all reimbursement claims and project closeouts from the 2005 Winter Storms, in which the City received \$2.17 million from FEMA and the State of California for storm damage (Ferrocarril Landslide, Oso Creek, and various locations throughout the City).
- In conjunction with the Orange County Health Care Agency, the Orange County Fire Authority, the Orange County Sheriff's Department and city volunteer groups, conducted a 2010 Point of Dispensing (POD) Preparedness Exercise in which 530 doses of flu vaccine were distributed in 2.5 hours at the Norman P. Murray Community Center. The City received \$24,000 in grant funding for planning and implementing this program.
- Participated in the 2009 and 2010 Statewide Golden Guardian Exercises by activating the Emergency Operations Center and a multijurisdictional exercise with Orange County agencies and cities.
- Hosted the annual South Orange County Emergency Preparedness Expo at the Norman P. Murray Community and Senior Center in conjunction with Red Ribbon Walk Against Drugs event.
- Completed modifications to the city's backup emergency generator, which increased the number of City Hall work stations and electrical circuits on the system.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # of residents trained through the Community Emergency Preparedness Academy	190	215	260	312
2 # of Emergency exercises/activations held	4	4	4	4
3 # of Alert OC secondary registrations	2,000	4,000	5,000	6,000
4 % of EOC employees trained at the California Specialized Training Institute (CSTI)	50%	60%	65%	70%
5 # of public outreach postings for emergency preparedness	25	25	25	25



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Emergency Preparedness Expenditures

Emergency Preparedness	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	136,843	138,307	132,329	133,426	0.8%	133,806	0.3%
Services & Supplies	43,620	19,315	27,300	21,550	-21.1%	21,550	0.0%
Capital Outlay	3,795	28,989	4,000	4,000	0.0%	4,000	0.0%
Total Emergency Preparedness	184,258	186,611	163,629	158,976	-2.8%	159,356	0.2%

Objectives, 2011-13:

1. Complete coordination planning efforts to establish a second Point of Dispensing (POD) site in Mission Viejo in cooperation with the Orange County Health Care Agency by December, 2011.
2. Conduct a “Teen Community Emergency Preparedness Academy” for Mission Viejo youth in cooperation with the Orange County Sheriff’s Department, the Orange County Fire Authority and the American Red Cross, by September, 2011.
3. Increase secondary registration in the “Alert OC System” by setting up registration opportunities at special events in the City by December, 2011.
4. Participate in the State of California Golden Guardian exercises in May, 2011 and May, 2012 in conjunction with the Orange County Emergency Management Organization (OCEMO).
5. Pursue funding for upgrades to the City Emergency Operations Center (EOC) by July, 2012.
6. Pursue the use of social networking sites to distribute pertinent and useful information during emergencies by December, 2012.
7. Conduct staff development training related to emergency preparedness and disaster response in order to increase staff response capabilities by June, 2013.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Public Safety
Department:	Public Services
Program:	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 costs 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.

Accomplishments, 2009-11:

- Met with San Diego Gas and Electric (SDG&E) and Southern California Edison (SCE) to investigate and establish improved intervals for preventative light maintenance.
- Conducted two night inspections of arterial street lights and reported outage to the utility companies.
- Painted all utility enclosures along major arterials in SDG&E and SCE service areas (paint was provided by utility companies).
- Conducted citywide inspection of street lights, noted outages and reported to appropriate utility company.
- Coordinated the process for street light bonnet and scroll replacement with SDG&E and SCE when poles are knocked down due to traffic accidents.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # of resident requests for street light outages received and reported to utility companies within 24 hours of notification	280	280	280	280
2 # of bonnets and scrolls added to electric street lights on arterial streets	25%	25%	20%	20%

Performance Measure Notes:



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Street Lighting Expenditures

Street Lighting	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Services & Supplies	883,901	914,825	872,179	872,600	0.0%	922,500	5.7%
Capital Outlay	29,770	-	-	-	0.0%		0.0%
Total Street Lighting	913,671	914,825	872,179	872,600	0.0%	922,500	5.7%

Objectives, 2011-13:

1. Prepare quarterly press releases about street light reporting by September, 2011.
2. Meet with San Diego Gas & Electric (SDG&E) and Southern California Edison (SCE) to discuss and establish improved preventative light maintenance intervals by June, 2012.
3. Conduct two night inspections of arterial street lights and log and report outages to electric companies; inspect northern portion of the City by June, 2012 and southern portion of the City by June, 2013.
4. Continue to update inventory of missing scrolls and bonnets and replace as needed by June, 2012 and June, 2013. (This effort will include the need to coordinate with the two utility companies as damaged street lights are replaced.)



CITY OF MISSION VIEJO
2011-13 Operating Program Areas Summary



COMMUNITY DEVELOPMENT

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.

STAFFING
FULL-TIME EQUIVALENTS (FTE)*

Program	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Actuals	FY 2011/12 Adopted	Change from Prior Year	FY 2012/13 Adopted	Change from Prior Year
Administration	2.800	2.550	1.700	1.550	-0.150	1.550	0.000
Advance Planning	0.800	1.050	0.950	1.050	0.100	1.050	0.000
Current Planning	1.700	1.650	1.650	1.700	0.050	1.700	0.000
Economic Development	0.000	0.000	0.000	1.000	1.000	1.000	0.000
Code Enforcement	3.150	2.500	2.500	2.300	-0.200	2.300	0.000
Water Quality	1.100	0.800	0.800	1.000	0.200	1.000	0.000
Housing	0.100	0.100	0.100	0.100	0.000	0.100	0.000
TOTAL FTE	9.650	8.650	7.700	8.700	1.000	8.700	0.000

*The staffing schedule for FY 2011/12 reflects the movement of the Economic Development program, and a shift of one position from the City Manager's office, to Community Development.



2011-2013 Budget Program Area Summary



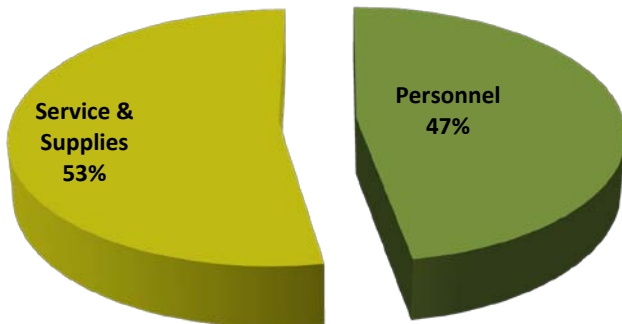
Community Development Expenditures, All Funds: FY 2008/09 - FY 2012/13

<i>Community Development Dept</i>	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Community Development Administration	314,308	298,625	254,525	227,558	-10.6%	228,159	0.3%
Advance Planning	198,874	223,920	194,044	202,614	4.4%	286,208	41.3%
Current Planning	283,177	212,078	214,784	237,842	10.7%	287,848	21.0%
Building	617,388	652,046	669,350	688,750	2.9%	693,750	0.7%
Code Enforcement	291,314	258,562	246,094	216,242	-12.1%	171,455	-20.7%
Economic Development*	-	-	-	172,190	0.0%	170,025	-1.3%
Water Quality - Community Development**	91,509	84,606	106,541	93,833	-11.9%	74,645	-20.4%
Housing	426,058	376,646	246,394	286,730	16.4%	286,730	0.0%
Economic Opportunity	69,330	65,927	79,555	66,200	-16.8%	66,200	0.0%
Total Community Development	2,291,958	2,172,410	2,011,287	2,191,959	9.0%	2,265,020	3.3%
Total Community Development	2,291,958	2,172,410	2,011,287	2,191,959	9.0%	2,265,020	3.3%

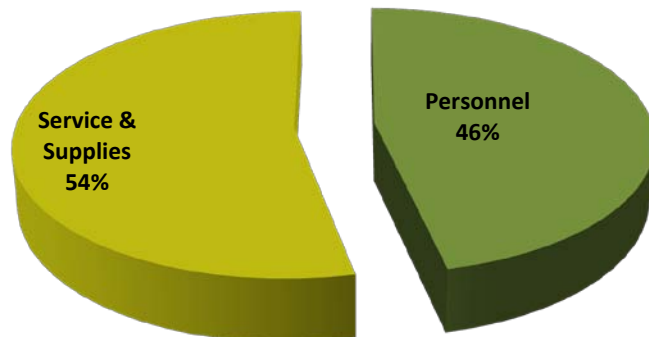
*The Economic Development program was moved to the Community Development Department from the City Manager's office in FY 2011/12.

**Additional expenditures related to the citywide Water Quality program can be found in the Public Works Department.

**Expenditures
FY 2011/12**



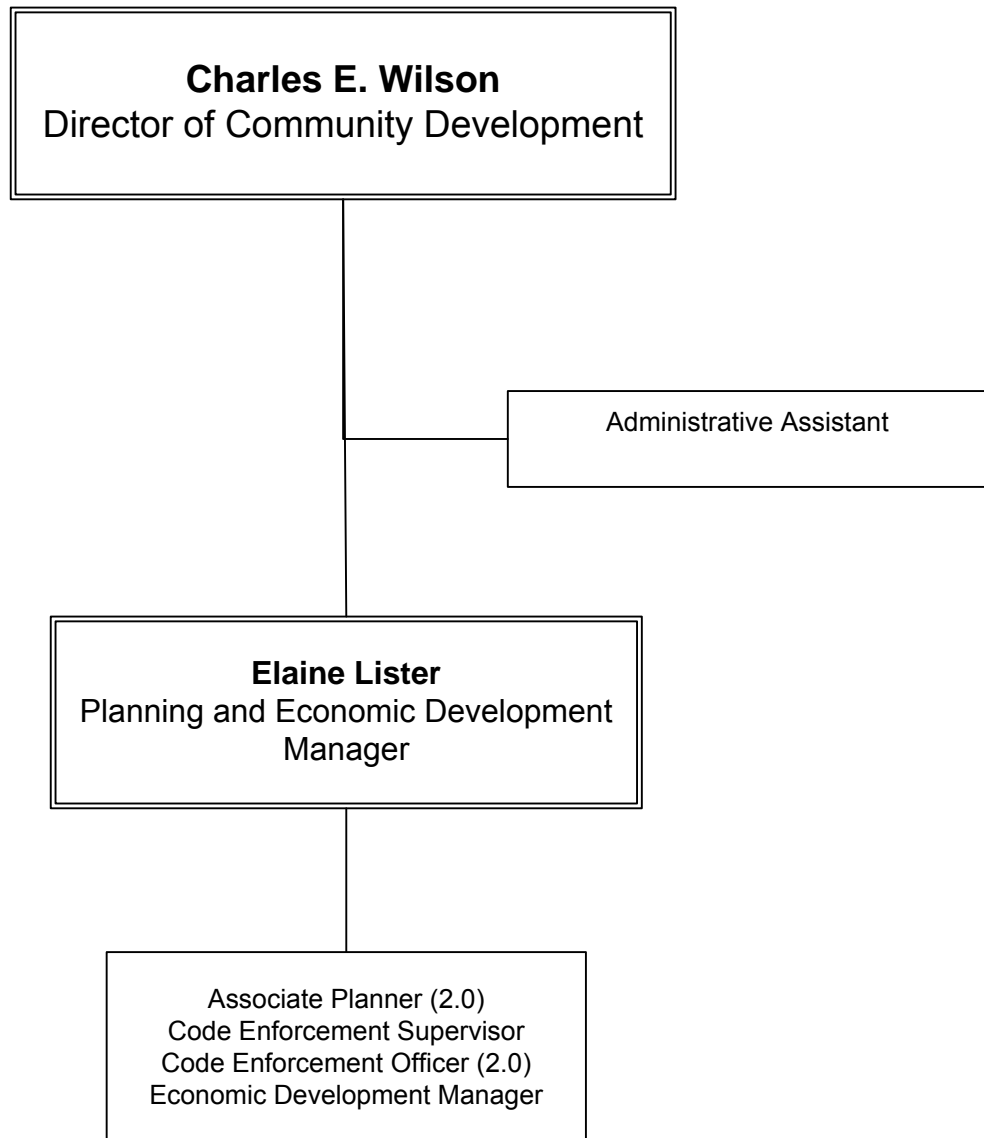
**Expenditures
FY 2012/13**



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COMMUNITY DEVELOPMENT DEPARTMENT





CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	Community Development
Department:	Community Development
Program:	Administration

Program 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, and assists with Community Development Agency (CDA) assignments as needed.

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.

Accomplishments, 2009-11:

- Promoted City outreach for U.S. Census Bureau’s 2010 Census.
- Promoted Foreclosure Prevention Workshop at the Norman P. Murray Center.
- Received positive assessment from an independent full service customer satisfaction survey study conducted by True North Research, Inc. that the Planning and Building Divisions in the Community Development Department were performing exceptionally well with the permit application, plan review, and inspection stages of a project.
- Implemented SIRE electronic plan check for planning review of pending building permits.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Community Development Administration Expenditures

Community Development Admin	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	271,570	241,548	218,841	203,503	-7.0%	204,104	0.3%
Services & Supplies	42,738	57,077	35,684	24,055	-32.6%	24,055	0.0%
Total Community Development Admin	314,308	298,625	254,525	227,558	-10.6%	228,159	0.3%

Objectives, 2011-13:

1. Oversee the preparation of building and planning files and plans for scanning by December, 2011.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	Community Development
Department:	Community Development
Program:	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.

Accomplishments, 2009-11:

- Secured City Council adoption of updated Housing Element. The Housing Element was subsequently certified by the California Department of Housing and Community Development.
- Secured City Council approval of a professional services agreement with AECOM for preparation of an EIR for the comprehensive General Plan update and related Air Quality / Greenhouse Gas Reduction Element / Climate Action Plan.
- Monitored and participated in SCAG and OCCOG related regional plans and strategies related to SB 375, the SCS, and the contemplated 2012 Regional Housing Needs Assessment (RHNA) update process.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # / % of environmental reviews processed within State mandated periods	30 / 100%	35 / 100%	39 / 100%	45 / 100%

Performance Measure Notes:



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Advance Planning Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Advance Planning							
Personnel Services	94,321	143,642	125,864	147,249	17.0%	180,843	22.8%
Services & Supplies	104,553	80,278	68,180	55,365	-18.8%	105,365	90.3%
Total Advance Planning	198,874	223,920	194,044	202,614	4.4%	286,208	41.3%

Objectives, 2011-13:

1. Closely monitor through the Orange County Council of Government Technical Advisory Committee (OCCOG TAC) the Southern California Association of Governments (SCAG) process to develop the draft Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) and Environmental Impact Report (EIR), incorporating all local input and subregional SCSs by December, 2011.
2. Prepare Request for Proposal (RFP) for a consultant to prepare the City's Housing Element Update by March, 2012.
3. Prepare a comprehensive update to the City's General Plan and related Master Environmental Impact Report by June, 2012.
4. Closely monitor the Southern California Association of Governments (SCAG) process as it adopts a final Regional Housing Needs Assessment (RHNA) allocation to all jurisdictions by October, 2012.
5. Select a Housing Element Consultant by June, 2012 to update the City's Housing Element to address the 2012 Regional Housing Needs Assessment (RHNA) allocation and submit to the State Department of Housing and Community Development (HCD) by October, 2013.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Community Development
Department:	Community Development
Program:	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.

Accomplishments, 2009-11:

- Secured City Council adoption of an ordinance updating the City's Density Bonus regulations to be consistent with State law.
- Secured City Council adoption of an ordinance amending the City's Municipal Code to permit emergency shelters in the Business Park zone in order to comply with SB 2.
- Secured City Council approval of two year extension to the Clear Channel Outdoor contract for transit shelters and bus benches.
- Conducted public hearings and secured Planning and Transportation Commission approval of several large projects, including: a 65,000 sq. ft. LA Fitness/ Alicia Towne Center remodel, LA Fitness / Kaleidoscope remodel, an 11,460 sq. ft. Fairhaven Mortuary, Farrell's Ice Cream Parlor, Gateway Center Master Plan, LDS Church Institute building, Passionate Pets, Chase Bank, and McDonald's, Bravo Burger, and Carl's Jr. restaurant remodels.

Performance Measures:

	Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1	#/% of discretionary development projects approved at first meeting with the Planning and Transportation Commission	55 / 97%	44 / 97%	50 / 97%	55 / 98%
2	#/% of CUP's fully processed within 6 weeks of submittal of a complete application	14 / 98%	15 / 98%	15 / 98%	18 / 98%
3	#/% of PDP's, MM, AR's and VAR's fully processed within 6 weeks of submittal	36 / 97%	30 / 98%	38 / 98%	40 / 98%
4	#/% of zoning plan checks approved within 72 hours	1,584 / 98%	1,765 / 98%	1,800 / 98%	1,850 / 98%
5	#/% of zoning inspections made within one day of request	15 / 98%	16 / 98%	18 / 98%	20 / 98%

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Current Planning Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Current Planning							
Personnel Services	176,757	199,597	201,364	218,632	8.6%	268,288	22.7%
Services & Supplies	106,420	12,481	13,420	19,210	43.1%	19,560	1.8%
Total Current Planning	283,177	212,078	214,784	237,842	10.7%	287,848	21.0%

Objectives, 2011-13:

1. Update the City's Green Building and Solar Energy Education websites by December, 2011.
2. Oversee the review of development proposals for "Affordable Housing Site C" by March, 2012.
3. Complete a universal permit system by June, 2012.
4. Oversee the request for proposal process for the selection of a contractor for the provision of transit shelters and benches by December, 2012.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Community Development
Department:	Community Development
Program:	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.

Accomplishments, 2009-11:

- Secured City Council adoption of ordinances for 2010 California Building Code and Fire Code.
- Secured City Council approval of new agreement with Charles Abbott Associates, Inc. for building plan check and inspection services.
- In collaboration with the Information Technology Department, began implementation of the new Active Review electronic plan check system.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 #/% of requested inspections completed within 24 hours	8,394 / 100%	8,500 / 100%	8,600 / 100%	8,700 / 100%
2 #/% of building permits issued within 24 hours of application	1,840 / 89%	1,900 / 89%	1,950 / 89%	2,000 / 89%
3 #/% of inquiries responded to within 24 hours	4,000 / 100%	4,500 / 100%	4,700 / 100%	4,750 / 100%
4 #/% of complaints responded to within 24 hours	175 / 95%	175 / 95%	200 / 95%	200 / 95%
5 #/% of plan checks completed within 5 working days	350 / 92%	400 / 92%	450 / 92%	500 / 92%
6 #/% of solar and green building permits issued with expedited service (less than 5-day service)	83 / 100%	100 / 100%	150 / 100%	200 / 100%

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Building Expenditures

Building	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Services & Supplies	617,388	652,046	669,350	688,750	2.9%	693,750	0.7%
Total Building	617,388	652,046	669,350	688,750	2.9%	693,750	0.7%

Objectives, 2011-13:

1. Update all handouts and forms as applicable based on changes to the 2010 Building Codes by December, 2011.
2. Resume and continue scanning of plans and permit documents by December, 2011.
3. Update all Building Division information on the city website by December, 2011.
4. Continue with the implementation and reporting of the customer feedback system by December, 2011.
5. Use the Customer Relations Management (CRM) system to track complaints in coordination with Code Enforcement by December, 2011.
6. In conjunction with the Information Technology Department, explore the feasibility of implementing a permit tracking system by June, 2012.
7. Explore the use of an automated interactive voice response (IVR) inspection request system and automated inspection request system by June, 2013.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Community Development
Department:	Community Development
Program:	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.

Accomplishments, 2009-11:

- Converted over to the new citywide CRM electronic service request system providing improved tracking status for both staff and the public.
- Cross trained all code enforcement division staff on how to process and issue street vendor permits.
- Reviewed codes and ordinances utilized by code enforcement staff resulting in identified policy improvements to better define and differentiate the enforcement process of a zoning / nuisance code complaint versus a building and safety complaint.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # / % of new Code Enforcement cases investigated within 72 hours	1,903 / 95%	1,500 / 95%	1,600 / 95%	1,650 / 95%
2 # / % of Code Enforcement cases resolved without City Attorney involvement	1,894 / 99.5%	1,493 / 99.5%	1,584 / 99%	1,633 / 99%
3 # of Notification of Violations sent to property owner	695	615	650	675
4 # of cases closed within 30 days	1,747	1,180	1,250	1,300

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Code Enforcement Expenditures

Code Enforcement	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	288,156	257,153	240,262	210,442	-12.4%	165,655	-21.3%
Services & Supplies	3,158	1,409	5,832	5,800	-0.5%	5,800	0.0%
Total Code Enforcement	291,314	258,562	246,094	216,242	-12.1%	171,455	-20.7%

Objectives, 2011-13:

1. Link the City's Geographic Information System (GIS) maps and aerial photographs to the CRM/Code Enforcement Module by December, 2011.
2. Work with existing massage establishments to transition to State massage licenses and eliminate temporary massage licenses by June, 2012.
3. Work with Building Division staff to integrate and coordinate the Building and Code Enforcement complaint systems by March, 2012.
4. Help assist and train the Building Division with the transition to the CRM system for better complaint management and response coordination (ongoing).



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Community Development
Department:	Community Development*
Program:	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.

**Responsibility for this program has been transferred to the Community Development Department from the City Manager's office effective FY 2011/12.*

Accomplishments, 2009-11:

- Hosted a commercial real estate broker workshop with 50 plus participants.
- Organized two Mission Viejo Business Showcase events with 45 exhibitors each.
- Hosted 44 business workshops and 4 special events in Mission Viejo with a total of 1,556 participants.
- Conducted 124 business visits and 31 grand openings.
- Requested and received approval of a fee reduction for Mission Viejo businesses to advertise on MVTV.
- Prepared and distributed 34 Mission Viejo Means Business newsletters.
- Partnered with SCORE to offer weekly, free, small business consulting services at the Mission Viejo library.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # of businesses participating in Business Showcase	60	50	50	50
2 # of Retail & Food Services Sales Tax Permits	2,517	2,525	2,530	2,535
3 % Sales Tax Leakage	15%	14%	13%	12%
4 # of Business Workshops Hosted in MV	20	20	20	20
5 % Retail Only Sales Tax Leakage	8%	8%	7%	6%
6 # of businesses visited/grand openings/ribbon cuttings	4,500 / 50	4,500 / 50	4,500 / 50	4,500 / 50

Performance Measure Notes:



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Economic Development Expenditures

Economic Development*	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	42,269	79,085	72,086	161,365	123.9%	160,000	-0.8%
Services & Supplies	83,644	15,542	50,415	10,825	-78.5%	10,025	-7.4%
Total Economic Development	125,913	94,627	122,501	172,190	40.6%	170,025	-1.3%

**Responsibility for this program was transferred to the Community Development Department from the City Manager's office effective FY 2011/12, prior year actuals are presented for historical purposes.*

Objectives, 2011-13:

1. Support the new Mission Viejo Business Coupon Pilot Program and review results by June, 2012.
2. Enhance and expand the demographic research that is available to the public on the City's website by September, 2011.
3. Bring commercial real estate brokers together and enhance the working relationship with the City by March, 2012.
4. Coordinate with the OC SBDC, EDD, SCORE and the SBA to offer low cost business workshops in Mission Viejo by June, 2012 and June, 2013.
5. Host the Annual Business Showcase for Mission Viejo businesses by October, 2011 and October, 2012.
6. Provide staff support for the Ad Hoc Economic Development Committee of the City Council through June, 2013.
7. Expand existing partnerships with large employers, and key property tax and sales tax revenue generators through June, 2012 and June, 2013.
8. Investigate opportunities for the establishment of a Mission Viejo Chamber of Commerce by June, 2012.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	Community Development
Department:	Community Development
Program:	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.

Accomplishments, 2009-11:

- In conjunction with the Public Works Department, assisted with the evaluation and implementation of new code enforcement, reporting, and inspection requirements in the City's new National Pollutant Discharge Elimination System (NPDES) permit issued by the San Diego Regional Water Quality Control Board (SDRWQCB).
- Explored revised reporting on water quality cases in the City's service, complaint and request system to meet the current state data collection requirements by the Regional Water Quality Board Annual Report.
- Evaluated CRM code enforcement reporting modules that can be used to better meet the reporting and tracking requirements of the SDRWQCB.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # of new water quality cases investigated within 72 hours	38	75	90	90
2 # of training/educational workshops attended	5	5	5	5
3 # of Notice of Violation letters sent to property owners	13	30	45	45

Performance Measure Notes:



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Water Quality Expenditures

Water Quality- Comm. Development	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	91,509	84,606	106,041	93,333	-12.0%	74,145	-20.6%
Services & Supplies	-	-	500	500	0.0%	500	0.0%
Total Water Quality- Comm. Development	91,509	84,606	106,541	93,833	-11.9%	74,645	-20.4%

Objectives, 2011-13:

1. Provide water quality-related inspection and case summary information to the Public Works Department on a quarterly basis, and for the annual Jurisdictional Runoff Management Program reports for the San Diego Regional Water Quality Control Board (SDRWQCB) by September, 2011 and September, 2012.
2. Prepare notification letters to and perform approximately 140 inspections of industrial and commercial businesses to ascertain compliance with the City's water quality ordinance and as prescribed by the San Diego Regional Water Quality Control Board NPDES Permit by June, 2013.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Community Development
Department:	Community Development
Program:	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.

Accomplishments, 2009-11:

- Secured City Council adoption of CDBG five-year Consolidated Plan (FY 2010-2014).
- Secured City Council approval of amendment to the City's Housing Rehabilitation Program increasing maximum award amount by \$5,000, from \$25,000 to \$30,000.
- Approved CDBG funded applications to rehabilitate approximately 30 owner-occupied housing units using interest free loans, and paint the exterior of 19 owner-occupied homes using grant funding.
- Implemented new web-based grant Federal Grant Management Accomplishment reporting system.
- Evaluated the public service grant management process to ensure compliance with the new Federal reporting system.
- Provided assistance to over 3,400 seniors, youth, and other qualified residents through CDBG funding.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 #/% of CDBG applications awarded within HUD time guidelines	12 / 100%	12 / 100%	14 / 100%	14 / 100%
2 # Housing Rehabilitation loans/grants processed*	21	30	30	32
3 # Social Service Organizations funded	10	10	12	12

Performance Measure Notes:

**Number includes "Paint Program" grants*



CITY OF MISSION VIEJO
2011-13 Program Summary



Community Development Block Grant Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Economic Opportunity							
Services & Supplies	69,330	65,927	79,555	66,200	-16.8%	66,200	0.0%
Total Economic Opportunity	69,330	65,927	79,555	66,200	-16.8%	66,200	0.0%

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Housing							
Services & Supplies	426,058	376,646	246,394	286,730	16.4%	286,730	0.0%
Total Housing	426,058	376,646	246,394	286,730	16.4%	286,730	0.0%

Objectives, 2011-13:

1. Continue implementation of a web-based Federal Grant Management Accomplishment Reporting System by December, 2011.
2. Oversee the preparation of the federally required Action Plan for the Community Development Block Grant (CDBG) program and submit annually to the US Department of Housing and Urban Development (HUD) by June, 2012 and June, 2013.
3. Investigate and evaluate additional federal and CDBG funding opportunities for Community Preservation (housing and infrastructure) by June, 2012.



CITY OF MISSION VIEJO
2011-13 Operating Program Areas Summary



ENGINEERING AND TRANSPORTATION

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).

STAFFING
FULL-TIME EQUIVALENTS (FTE)

Program	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Actuals	FY 2011/12 Adopted	Change from Prior Year	FY 2012/13 Adopted	Change from Prior Year
Administration	2.250	2.150	2.150	2.150	0.000	2.150	0.000
Engineering	2.425	2.000	2.000	1.900	-0.100	1.900	0.000
Inspection	3.150	3.800	2.900	2.850	-0.050	2.850	0.000
Water Quality	1.850	1.650	1.550	1.500	-0.050	1.500	0.000
Transportation Planning	1.550	1.125	1.125	0.825	-0.300	0.825	0.000
Traffic Operations	1.850	1.150	1.150	0.800	-0.350	0.800	0.000
Traffic Safety	0.650	0.950	0.950	0.500	-0.450	0.500	0.000
Signal Maintenance	0.450	0.350	0.350	0.650	0.300	0.650	0.000
TOTAL FTE	14.175	13.175	12.175	11.175	-1.000	11.175	0.000



2011-2013 Budget Program Area Summary



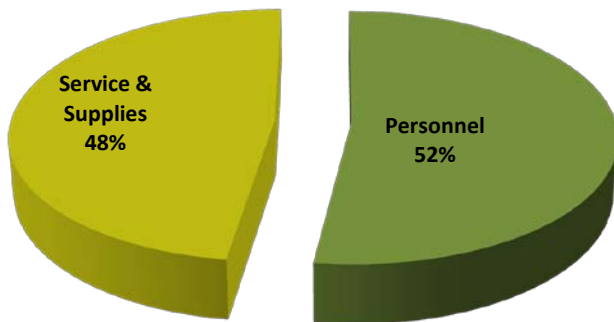
Engineering and Transportation

Expenditures, All Funds: FY 2008/09 - FY 2012/13

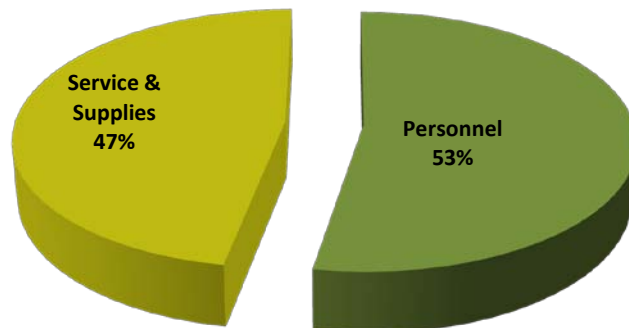
	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Public Works Department							
Public Works Administration	402,024	317,576	327,821	324,737	-0.9%	310,778	-4.3%
Engineering	400,744	389,377	364,825	409,730	12.3%	327,866	-20.0%
Inspection	411,544	382,162	233,020	225,100	-3.4%	226,322	0.5%
Signal Maintenance	624,458	616,796	635,120	646,096	1.7%	656,277	1.6%
Traffic Operations	240,415	191,980	242,856	142,036	-41.5%	212,482	49.6%
Traffic Safety	157,333	104,368	119,624	74,471	-37.7%	74,658	0.3%
Transportation Planning	211,373	146,114	153,921	119,881	-22.1%	120,192	0.3%
Water Quality - Public Works*	687,719	472,981	569,917	490,851	-13.9%	494,831	0.8%
Public Works Department	3,135,610	2,621,354	2,647,104	2,432,902	-8.1%	2,423,406	-0.4%
Engineering & Transportation	3,135,610	2,621,354	2,647,104	2,432,902	-8.1%	2,423,406	-0.4%

*Additional expenditures related to the citywide Water Quality program can be found in the Community Development Department.

**Expenditures
FY 2011/12**



**Expenditures
FY 2012/13**



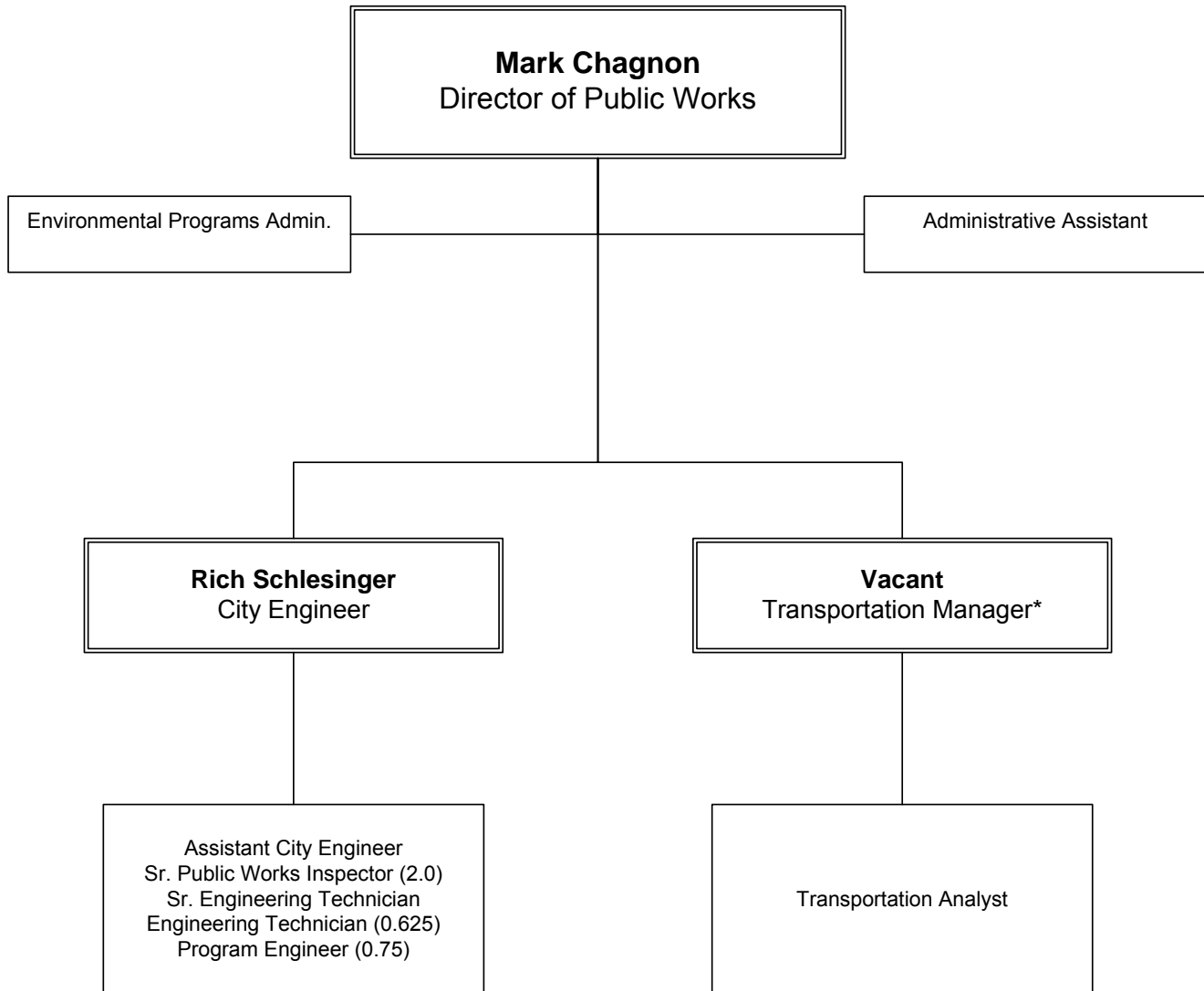
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CITY OF MISSION VIEJO
2011-13 Department Organizational Chart



PUBLIC WORKS DEPARTMENT



*Position is currently being underfilled by Traffic/Transportation Engineer.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	Engineering and Transportation
Department:	Public Works
Program:	Administration

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.

Program Description:

Specifically, the Administration program has responsibility for central administration of the department's three divisions and ten programs, as well as providing technical assistance and staff support to the City's Community Development Agency (CDA).

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.

Accomplishments, 2009-11:

- Added an environmental programs webpage (including information regarding recycling, pollution prevention, and conservation) and a major construction program information page to the City's website.
- Completed the Orange County Transportation Authority (OCTA) Growth Management Area (GMA) 9 program requirements.
- Procured Measure M2 Arterial Capacity Enhancement (ACE) Grants totaling \$5 million for the La Paz Road/Bridge Widening (CIP 756/761) and Oso Parkway Widening (CIP 791) projects.
- Completed design of the Avery Parkway Resurfacing project – Marguerite to Camino Capistrano (CIP 837)
- Completed construction of the following projects:
 - Oso Parkway/Marguerite Parkway intersection improvements (CIP 844)
 - La Paz Road, Alicia Parkway, Trabuco Road, Olympiad Road, Oso Parkway, Marguerite Parkway and various residential streets and medians resurfacing, rehabilitation and concrete repair (CIP 202, 205, 207, 788, 799, 836, 837, 838)
 - Montanoso Drive Traffic Calming Improvements – Phase II (CIP 779)
 - Citywide Traffic Signal Controller Upgrade – Phase 1 (CIP 797)
 - Montanoso Recreation Center Bio-Swale (CIP 207)

Performance Measures:					
	Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1	# of professional organizations / % of staff time participating as members	9 / 2%	10 / 2%	10 / 2%	10 / 2%
2	# of projects completed	5	9	6	5
3	#/% of preliminary construction cost estimates within 20% of final cost	5 / 100%	8 / 89%	5 / 83%	5 / 100%



CITY OF MISSION VIEJO
2011-13 Program Summary



Public Works Administration Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Public Works Administration							
Personnel Services	346,595	284,105	280,466	282,882	0.9%	284,003	0.4%
Services & Supplies	55,429	33,471	47,355	41,855	-11.6%	26,775	-36.0%
Total Public Works Administration	402,024	317,576	327,821	324,737	-0.9%	310,778	-4.3%

Objectives, 2011-13:

1. Create an educational exhibit in the Public Works Department illustrating the main functions of the department by December, 2011.
2. In collaboration with Information Technology and other departments, expand the City's environmental programs webpage to include additional information on a variety of environmental programs or issues on an as needed basis (ongoing).
3. Based on the guiding principles and policies developed as the first phase of creating a City Sustainability Plan, continue to seek sustainable strategies and practices which can be practically implemented (ongoing). (A sustainable community meets the needs of the present without sacrificing the ability of future generations to meet their own needs. Sustainable practices include using recycled-content products, alternative fuel vehicles, and green building techniques.)
4. Provide project management for the following Capital Improvement Projects :
 - Residential Street Resurfacing Program (CIP 838) by June 2012 and June 2013.
 - Residential Concrete Repair Program (CIP 836) by June 2012 and June 2013.
 - La Paz Road/Bridge Widening (CIP 756/761) by December 2012.
 - Citywide Traffic Signal Controller Upgrade (CIP 797) by December 2011.
 - Oso Parkway Widening – I-5 to Country Club (CIP 791) by June 2013.
 - Oso Parkway Storm Drain (CIP 207) by December 2011.
 - Avery Parkway Resurfacing – Marguerite to I-5 (CIP796) by September 2011.
 - Jeronimo Road Resurfacing – Alicia to Marguerite (CIP 870) by June 2013.
 - Montanoso Traffic Calming Devices – Phase 2 (CIP 779) by December 2011.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	Engineering and Transportation
Department:	Public Works
Program:	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.

Accomplishments, 2009-11:

- Provided plan check and engineering oversight for the following major development projects: Jared Jewelry, Mission Viejo Country Club New Clubhouse, Plaza Drive Medical Center Parking Deck, Aliso Ridge Condominiums (Lennar Homes), Lexus of Mission Viejo Overflow Parking Lot, Fairhaven Memorial, and Alicia Towne Plaza (LA Fitness).
- Completed updating the City's Pavement Management Program in order to establish eligibility to receive OCTA Measure M2 Funding.
- Obtained \$20,000 grant from Orange County Transportation Authority (OCTA) to update the City's Pavement Management Program.
- Worked with the Information Technology and Community Development departments to implement a new online building plan checking and permitting system.
- Completed the update to the City's orthophotography with new three-inch pixel resolution imagery.
- Obtained recertification under the FEMA National Flood Insurance Program Community Rating System (CRS), which entitles Mission Viejo property owners up to a 10% discount on flood insurance.
- Completed the methacrylate deck treatment of the Los Alisos Boulevard bridge over the railroad tracks to extend the life of the bridge deck.
- Revised and updated the City's Grading Ordinance.
- Coordinated the Avery Parkway/I-5 interchange construction project with the City of Laguna Niguel.
- Implemented a new hydro modification program and guidelines for new development projects in compliance with the City's NPDES Permit.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 #/% of development plan checks completed within stated turn-around time*	72 /100%	27 /100%	50 / 100%	50 / 100%
2 #/% of landscape plan checks completed within stated turn-around time*	9 /100%	27 / 100%	20 / 100%	20 / 100%
3 # of encroachment permits issued	362	298	400	400
4 # of responses to citizen requests related to geotechnical and ground water issues	47	32	50	50
5 #/% of annual transportation permits issued within 24 hours	54 / 100%	42 / 100%	50 / 100%	50 / 100%
6 #/% of three-day transportation permits issued within 24 hours	103 / 100%	27 / 100%	100 / 100%	100 / 100%

Performance Measure Notes:

**Per department policy, plan check turn-around time is three weeks for first checks and two weeks for all subsequent checks; measures for these items do not include revision plan checks.*

Engineering Expenditures

Engineering	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	253,023	240,355	248,210	230,545	-7.1%	233,051	1.1%
Services & Supplies	147,721	149,022	116,615	179,185	53.7%	94,815	-47.1%
Total Engineering	400,744	389,377	364,825	409,730	12.3%	327,866	-20.0%

Objectives, 2011-13:

1. Work with the Information Technology Department to explore the feasibility of implementing an on-line encroachment permit application and transportation permit process that could be integrated with the Document Management System by December, 2011.
2. Update the City's Pavement Management Program and prepare the Pavement Management Report to remain eligible for Measure M2 funds by June, 2012.
3. To assist with emergency preparedness efforts, create Geographical Information System (GIS) maps displaying flood inundation areas for critical infrastructure and facilities such as Lake Mission Viejo, El Toro Reservoir, and Upper Oso Reservoir by June, 2012.
4. Obtain grant funding and form an assessment district to facilitate the repair of the Ferrocarril landslide by December, 2011.
5. Recertify the City's National Flood Insurance Community Ratings System Class 8 Certification to maintain eligibility for property owner discounts for the purchase of flood insurance by June, 2012.
6. Identify maintenance needs and recommended treatments for City owned bridge structures and culverts by December, 2012.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Engineering and Transportation
Department:	Public Works
Program:	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.

Accomplishments, 2009-11:

- Provided inspection services for major development projects including: Jared Jewelers, Mission Viejo Country Club New Clubhouse, Plaza Drive Medical Center Parking Deck, Aliso Ridge Condominiums (Lennar Homes), South County Lexus Overflow Parking Lot, Fairhaven Memorial, and Alicia Towne Plaza (LA Fitness).
- Provided inspection services for the following Capital Improvement Projects:
 - Oso Parkway/Marguerite Parkway Intersection Improvements (CIP 844)
 - La Paz Road, Alicia Parkway, Trabuco Road, Olympiad Road, Oso Parkway, and Marguerite Parkway Resurfacing and Median Rehabilitation (CIP 202, 205, 788, 799, 837)
 - Residential Street Resurfacing Projects – 2009 & 2010 (CIP 838)
 - Residential Concrete Repair Projects – 2009 & 2010 (CIP 836)
 - Montanoso Drive Traffic Calming Improvements – Phase II (CIP 779)
 - Citywide Traffic Signal Controller Upgrade – Phase 1 (CIP 797)
 - Montanoso Recreation Ctr. Bio-Swale and Marguerite Parkway Median Rehabilitation (CIP 207)
 - Annual CDBG Residential Street Asphalt Overlay Contract
 - Los Alisos Boulevard Methacrylate Bridge Deck Treatment
- Provided inspection services for the following major encroachment permit projects:
 - AT&T U-Verse Video Ready Access Device concrete pad and infrastructure installations.
 - Installations of SDG&E SCADA remote access units at existing transformers.
 - Southern California Edison Aegean Hills infrastructure upgrade project Phase 1 & 2
 - Santa Margarita Water District Felipe Road Reclaimed Water Pipeline Upgrade Project.
 - Moulton-Niguel Water District' Upper Oso Reservoir Recycled Water Pipeline Extension Project



CITY OF MISSION VIEJO
2011-13 Program Summary



Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 Inspection Revenue:				
• Development	\$167,670	\$78,812	\$150,000	\$150,000
• Encroachment	\$119,140	\$100,162	\$125,000	\$125,000
2 % of inspections completed within 24 hours of request:				
• Grading	100%	100%	100%	100%
• CIP	100%	100%	100%	100%
• Encroachment Permits	100%	100%	100%	100%

Inspection Expenditures

Inspection	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	410,877	381,740	231,520	223,600	-3.4%	224,822	0.5%
Services & Supplies	667	422	1,500	1,500	0.0%	1,500	0.0%
Total Inspection	411,544	382,162	233,020	225,100	-3.4%	226,322	0.5%

Objectives, 2011-13:

1. Inspect all construction sites throughout the year and prior to the rainy season to ensure that proper erosion control devices are installed to meet the requirements of the City's National Pollutant Discharge Elimination System (NPDES) Permit by October 2011 and October 2012.
2. Inspect residential streets and document needed repairs and resurfacing recommendations for the annual residential resurfacing program by March 2012 and March 2013.
3. Provide inspection and construction management services for the following Capital Improvement Projects:
 - Residential Street Resurfacing Program (CIP 838) by June 2012 and June 2013.
 - Residential Concrete Repair Program (CIP 836) by June 2012 and June 2013.
 - La Paz Road/Bridge Widening (CIP 756/761) by December 2012.
 - Citywide Traffic Signal Controller Upgrade (CIP 797) by December 2011.
 - Oso Parkway Widening – I-5 to Country Club (CIP 791) by June 2013.
 - Oso Parkway Water Quality Storm Drain (CIP 207) by December 2011.
 - Avery Parkway Resurfacing – Marguerite to I-5 (CIP796) by September 2011.
 - Jeronimo Road Resurfacing – Alicia to Marguerite (CIP 870) by June 2013.
 - Montanoso Traffic Calming Devices Phase 2 (CIP 779) by December 2011.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	Engineering and Transportation
Department:	Public Works
Program:	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.

Accomplishments, 2009-11:

- Upgraded traffic signal cabinets and installed new traffic signal controllers at 110 locations.
- Completed the traffic signal fiber and communications upgrades at 76 intersection locations.
- Replaced 52 arterial intersection illuminated street name sign panels.
- Replaced the traffic signal loop detection system at the La Paz Road and Marguerite Parkway intersection.

Performance Measures:

	Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1	# / % of intersections on the City's interconnect system	112 / 98%	112 / 98%	112 / 98%	112 / 98%
2	% of signal outages/malfunctions responded to within four hours	100%	100%	100%	100%
3	# / % of intersections with battery back-up systems	95 / 84%	95 / 84%	97 / 85%	99 / 87%
4	Average maintenance cost per signalized intersection	\$2,678	\$2,758	\$2,825	\$2,900

Performance Measure Notes:



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Signal Maintenance Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Signal Maintenance							
Personnel Services	66,729	28,863	39,620	65,596	65.6%	65,777	0.3%
Services & Supplies	557,729	587,933	595,500	580,500	-2.5%	590,500	1.7%
Total Signal Maintenance	624,458	616,796	635,120	646,096	1.7%	656,277	1.6%

Objectives, 2011-13:

1. Complete implementation of traffic signal controller replacements utilizing fiber communication technology and tie into the new central coordination program at 112 City intersections by December, 2011.
2. Replace yellow circular and arrow incandescent traffic signal lights with Light Emitting Diode (LED) fixtures citywide by December, 2011.
3. Research and identify energy saving devices, such as Light Emitting Diode (LED) safety lights and illuminated street name signs for traffic signals by June, 2012.
4. Revise annual testing procedures for battery backup systems by June, 2012.
5. In coordination with the City Attorney's office, prepare a policy addressing the installation of telecommunications devices on traffic signal systems by December, 2012.
6. In Cooperation with the Orange County Fire Authority (OCFA), research and test GPS based traffic signal preemption devices by December, 2012.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	Engineering and Transportation
Department:	Public Works
Program:	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.

Accomplishments, 2009-11:

- Completed the annual intersection turn movement counts for Marguerite Parkway and La Paz Road.
- Implemented the traffic signal synchronization plan along the Alicia Parkway corridor as part of the Orange County Transportation Authority (OCTA) Traffic Light Synchronization Program.
- Participated in OCTA’s Traffic Light Synchronization Program for El Toro Road.
- Installed the Centrac central master traffic signal controller that controls and coordinates all interconnected traffic signals in the City of Mission Viejo.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # of traffic signal timing/coordination reviews or updates	40	40	40	40
2 # / % of responses to citizen requests within 5 working days	500 / 100%	500 / 100%	500 / 100%	500 / 100%
3 # of encroachment, transportation, parking, special event, haul route permits processed	298	205	250	250
4 #/% of intersections operating within adopted General Plan service levels	110 / 96%	110 / 96%	111 / 97%	111 / 97%
5 # of un-signalized intersections evaluated for performance	12	9	10	10

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Traffic Operations Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Traffic Operations							
Personnel Services	163,127	120,847	125,266	89,536	-28.5%	89,782	0.3%
Services & Supplies	72,135	71,133	117,590	52,500	-55.4%	122,700	133.7%
Capital Outlay	5,153	-	-	-	0.0%	-	0.0%
Total Traffic Operations	240,415	191,980	242,856	142,036	-41.5%	212,482	49.6%

Objectives, 2011-13:

1. Conduct annual turn movement counts for one-third of the City at signalized intersections in order to implement signal timing changes and revised coordination strategies by June, 2012 and June, 2013.
2. Conduct annual Average Daily Traffic (ADT) counts for all arterial streets by June, 2012 and June, 2013.
3. Evaluate the performance of unsignalized intersections (intersection watch list) by December, 2012.
4. Support the Orange County Transportation Authority (OCTA) Traffic Signal Forums for renewed Measure M to review and revise traffic signal operations between City arterials and freeway interchanges as needed (ongoing).



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Engineering and Transportation
Department:	Public Works
Program:	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.

Accomplishments, 2009-11:

- Provided traffic/transportation related reviews for various development projects and environmental documents such as the Laguna Niguel Gateway Specific Plan, Koll's San Juan EIR Business. Development, and Laguna Hills General Plan and Program EIR Update.
- Reviewed Traffic Impact Studies for the following proposed major development projects: UDR's proposed apartment complex on Los Alisos Blvd., Watermarke's proposed apartment complex on Oso Parkway, and Standard Pacific's proposed residential single home site on El Toro Road.
- Reviewed regional transportation projects including:
 - Avery / Interchange widening (Laguna Niguel / Caltrans)
 - Crown Valley Widening – I-5 to Cabot (Laguna Niguel / Caltrans)
 - Cabot / Camino Capistrano Connection
 - Foothill Transportation Corridor – South (FTCS)

Performance Measures:					
	Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1	# of fund/grant applications submitted	2	3	2	2
2	# of transportation planning documents reviewed	15	12	15	15
3	# of special studies/projects conducted	6	3	5	5
4	# of development applications reviewed	55	40	50	50

Performance Measure Notes:



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Transportation Planning Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Transportation Planning							
Personnel Services	122,123	125,856	134,796	108,256	-19.7%	108,567	0.3%
Services & Supplies	89,250	20,258	19,125	11,625	-39.2%	11,625	0.0%
Total Transportation Planning	211,373	146,114	153,921	119,881	-22.1%	120,192	0.3%

Objectives, 2011-13:

1. Participate with the Orange County Transportation Authority (OCTA) to continue advancing the “Go Local” Transit Study (Step 3) to evaluate improved transit access to Metrolink stations and develop a local transit system to better connect the community by June, 2013.
2. In cooperation with other agencies, assist in the development and review of regional transportation projects including (ongoing):
 - Avery Parkway / Interstate 5 (I-5) Interchange Feasibility Study (OCTA/Caltrans)
 - Ortega Highway Widening (Caltrans)
 - Cabot Road/Camino Capistrano Connection
 - Foothill Transportation Corridor – South (FTCS)
 - Interstate 5 (I-5) Widening Study (Caltrans/OCTA)
 - Implementation of any identified projects for South Orange County Major Investment Study (SOCMIS) as needed.
 - Laguna Niguel Gateway Specific Plan Update
 - Metrolink Station Capacity Enhancements
3. Provide public outreach and education to the community about trip reduction, carpooling, and alternative means of transportation through the City’s environmental webpage (ongoing).
4. Monitor and participate in planning and implementation of the renewed Measure M, State Bond (Proposition 1B) and other funding programs, on an as-needed basis (ongoing).



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Engineering and Transportation
Department:	Public Works
Program:	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.

Accomplishments, 2009-11:

- Completed Engineering and Transportation Speed Surveys for Crown Valley Parkway and various other streets, and prepared certified copies for use by Police Services and Courts.
- Reviewed Saddleback Valley Unified School District plans and traffic study associated with the closure of O'Neill Elementary School and the relocation of La Tierra Elementary School students to Del Cerro Elementary School.
- Conducted various special studies and developed recommendations regarding parking lot expansion at Del Cerro Elementary School, and the construction of a new signed/striped pedestrian crossing (with a new crossing guard) at the intersection of Spadra Lane and Preciados Drive.
- Obtained \$492,000 non-infrastructure Safe-Route-To-Schools (SRTS) grant that covers all public K-8 schools in the City of Mission Viejo.
- Constructed five speed humps along Via Santa Maria (in front of Barcelona Hills Elementary School).
- Obtained developer funding and installed a variable speed feedback sign on westbound Alicia Parkway just east of Charlinda Drive to monitor vehicular speeds and inform drivers to "SLOW DOWN" when the posted speed limit is exceeded.
- Developed Ordinance 10-280 for Truck Weight Limit Restriction Signs prohibiting un-laden truck access along Montanoso Drive, Country Club Drive / La Mancha, Claro / Barbadanes, and Pacific Hills Drive.

Performance Measures:					
	Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1	# of school traffic improvement requests reviewed	10	10	10	10
2	# of speed hump petition & parking permit packages sent to residents	9	8	10	10
3	# of warrant requests reviewed	5	5	5	5

Performance Measure Notes



CITY OF MISSION VIEJO
2011-13 Program Summary



Traffic Safety Expenditures

	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	% Change	FY 2012/13	% Change
	Actual	Actual	Adopted	Adopted	from Prior	Adopted	from Prior
					Year		Year
Traffic Safety							
Personnel Services	138,033	99,916	109,624	64,471	-41.2%	64,658	0.3%
Services & Supplies	19,300	4,452	10,000	10,000	0.0%	10,000	0.0%
Total Traffic Safety	157,333	104,368	119,624	74,471	-37.7%	74,658	0.3%

Objectives, 2011-13:

1. Complete a citywide collision analysis for the reporting years of 2010 and 2011, in cooperation with the Orange County Sheriff's Department, by December, 2011 and 2012.
2. Conduct a "safe route to school" study of seventeen schools with Federal grant funds to identify preliminary issues on traffic safety and to promote walking and bicycling by June, 2012.
3. Review the effectiveness of the Alicia Parkway speed feedback sign by June, 2012.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	Engineering and Transportation
Department:	Public Works
Program:	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.

Accomplishments, 2009-11:

- Developed a new City Stormwater Local Implementation Plan to comply with the City’s new National Pollutant Discharge Elimination System (NPDES) Permit adopted by the San Diego Regional Water Quality Control Board (SDRWQCB).
- Working with the Information Technology Department, developed and launched a Green Website that allows the public to access stormwater related materials and educational information.
- Held the City’s annual Environmental Fair for over 700 third grade students and their teachers.
- Provided outreach presentations to various community groups and local schools.
- Revised and updated the City’s Water Quality Ordinance.
- Obtained a \$1.05 million grant from the State Water Resources Control Board for the Oso Creek Restoration and Protection Project which funded: a new bio-swale at the Montanoso Recreation Center, Marguerite Parkway landscape median improvements, and upgraded storm drain and water quality treatment on Oso Parkway.

Performance Measures:					
	Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1	# of high priority commercial/industrial and restaurant/food facility sites inspected for water quality compliance	303	305	443	443
2	# of water quality monitoring sites	8	8	4	4
3	# of water quality outreach events with staff participation	25	25	25	25

Performance Measure Notes:



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Water Quality Expenditures

Water Quality - Public Work	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	232,329	233,112	214,790	204,426	-4.8%	208,406	1.9%
Services & Supplies	455,390	239,869	355,127	286,425	-19.3%	286,425	0.0%
Total Water Quality - Public Works	687,719	472,981	569,917	490,851	-13.9%	494,831	0.8%

Objectives, 2011-13:

1. Complete the Detailed Project Report for the English Creek Aquatic Habitat Restoration Project by December, 2011.
2. Prepare quarterly Aliso Creek 13225 Directive reports, and annually, the Jurisdictional Runoff Management Program reports and Watershed Workplans for the San Diego Regional Water Quality Control Board (SDRWQCB) (ongoing).
3. Apply for Environmental Cleanup Program funds under Orange County Transportation Authority (OCTA) Measure M2 for water quality related projects by February, 2012.
4. Develop, with other South Orange County permittees, a Total Maximum Daily Load Implementation Plan to comply with the SDRWQCB's proposed limitations on the amount of bacteria-indicator pollutants that can be discharged to the storm drain system by December, 2011.
5. Organize inspections of up to 140 commercial and industrial businesses and perform follow-up inspections as needed, and document the results of those inspections in the annual Jurisdictional Runoff Management Program reports by June, 2013
6. Respond to exceedances of dry-weather and wet-weather storm water effluent pollutant numeric action levels by developing and implementing action plans to address those exceedances (ongoing).
7. Host an annual environmental fair at the Mission Viejo Civic Center and expand the water quality public education program by providing outreach events to Mission Viejo schools and to Mission Viejo homeowner associations by June, 2012 and June, 2013.
8. Review all City capital projects and proposed development projects for compliance with the SDRWQCB's NPDES requirements for new construction (ongoing).
9. Implement the development planning component of the SDRWQCB's fourth-term NPDES Permit and modify the City's existing NPDES programs as necessary by June, 2012.
10. Identify cost-saving measures in water quality programs and agreements with other agencies (ongoing).
11. Implement a water quality public education program that seeks to increase the knowledge and change the behavior of each target audience through outreach to Mission Viejo schools and homeowner associations at least once per year, businesses as needed during inspections, residents through at least three events per year, and to contractors and engineers for new development and significant redevelopment at least once during each project (ongoing).



CITY OF MISSION VIEJO
2011-13 Operating Program Areas Summary



INFRASTRUCTURE MAINTENANCE

The Infrastructure Maintenance program area has responsibility for maintenance of public buildings, streets, parkways, slopes, and trees. This program area is based largely in the Public Services Department and includes the programs listed below. The Animal Services, Emergency Preparedness and Street Lighting programs are operationally managed by the Public Services Department. However, for the purposes of program budgeting, staffing and funding for those programs are shown under the Public Safety program area.

Street sweeping, sidewalk and street repair, pavement signage and street striping, weed abatement, emergency storm response, park and landscape maintenance, park facility upkeep, tree trimming and tree replacement are some of the major duties performed by the Infrastructure Maintenance program area. In addition, this program area is responsible for a centralized, comprehensive building maintenance program, which includes custodial and routine maintenance for City Hall, the recreation and tennis centers, the Norman P. Murray Community Center, the Thomas R. Potocki Center, and the Marguerite Recreation and Aquatics Center.

Infrastructure Maintenance also includes the Fleet Maintenance program, which is responsible for maintaining the City's pool cars, trucks, police motorcycles, and the Emergency Response Mobile vehicle.

STAFFING
FULL-TIME EQUIVALENTS (FTE)

Program	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Actuals	FY 2011/12 Adopted	Change from Prior Year	FY 2012/13 Adopted	Change from Prior Year
Administration	1.100	1.100	2.100	1.100	-1.000	1.100	0.000
Street Maintenance	3.200	2.300	2.300	3.000	0.700	3.000	0.000
Fleet Maintenance	0.400	0.300	0.300	0.300	0.000	0.300	0.000
Environmental Maint.	0.650	0.650	0.650	0.650	0.000	0.650	0.000
Facility Maintenance	6.350	6.350	6.350	6.750	0.400	6.750	0.000
Parks Maintenance	3.300	3.300	3.300	3.500	0.200	3.500	0.000
Medians and Parkways	2.050	2.050	2.050	0.750	-1.300	0.750	0.000
Urban Forestry	1.200	1.200	1.200	0.600	-0.600	0.600	0.000
TOTAL FTE	18.250	17.250	18.250	16.650	-1.600	16.650	0.000



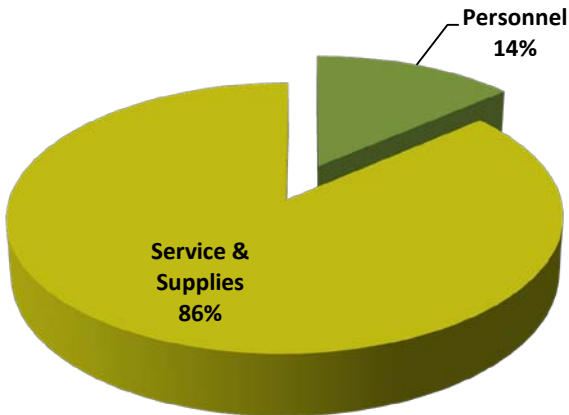
2011-2013 Budget Program Area Summary



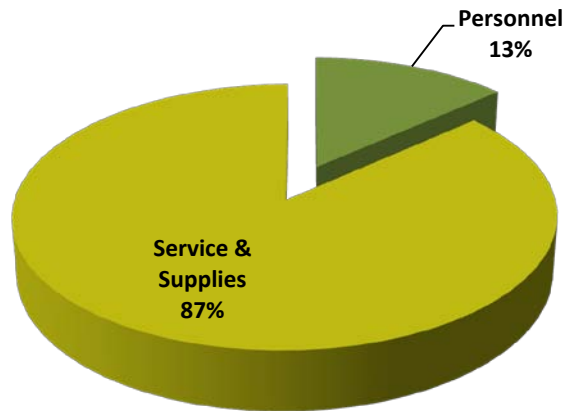
Infrastructure Maintenance Expenditures, All Funds: FY 2008/09 - FY 2012/13

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Public Services Department							
Public Services Administration	200,958	217,871	311,008	196,683	-36.8%	197,402	0.4%
Environmental Maintenance	720,039	762,121	677,305	659,656	-2.6%	660,238	0.1%
Fac Maint-Aqua/NPM/Ptki/Melnd	866,483	827,767	942,933	890,846	-5.5%	891,451	0.1%
Facilities Maintenance	595,109	495,772	476,927	477,422	0.1%	454,888	-4.7%
Facilities Maintenance-Library	488,685	470,817	509,327	503,601	-1.1%	508,878	1.0%
Facilities Maint-Recreation Ctrs	481,885	455,169	433,036	413,129	-4.6%	413,418	0.1%
Fleet Maintenance	221,623	231,768	198,472	150,529	-24.2%	150,620	0.1%
Medians and Parkways Maint	3,596,814	2,708,156	2,633,271	2,273,463	-13.7%	2,254,246	-0.8%
Parks Maintenance	6,336,802	5,425,158	5,411,074	5,368,258	-0.8%	5,477,946	2.0%
Street Maintenance	2,248,908	2,128,374	2,100,978	2,215,228	5.4%	2,216,279	0.0%
Urban Forestry	815,519	792,087	750,203	687,627	-8.3%	687,842	0.0%
Public Services Department	16,572,825	14,515,060	14,444,534	13,836,442	-4.2%	13,913,208	0.6%
Infrastructure Maintenance	16,572,825	14,515,060	14,444,534	13,836,442	-4.2%	13,913,208	0.6%

Expenditures
FY 2011/12



Expenditures
FY 2012/13



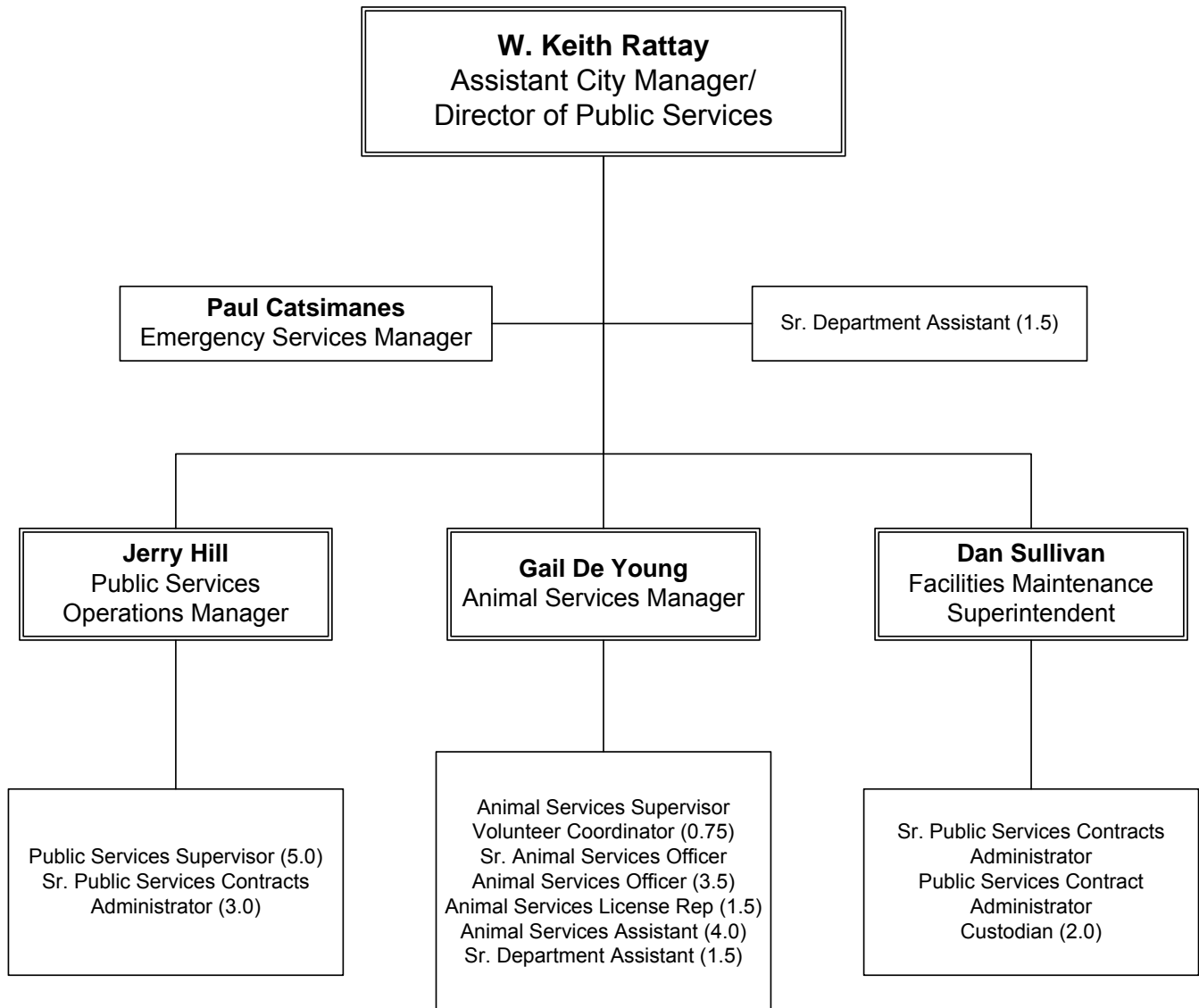
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CITY OF MISSION VIEJO
2011-13 Department Organizational Chart



PUBLIC SERVICES DEPARTMENT





CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	Infrastructure Maintenance
Department:	Public Services
Program:	Administration

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. The programs in the Public Safety program area under Public Services' direction include ongoing maintenance of streetlights, emergency preparedness, police, and animal services, as well as annual inspections of commercial properties and general aesthetics of the community.

Program Description:

Provides central administration for the department's eleven programs. Additionally, this program reviews architectural and landscape development city wide in conjunction with the Community Development program.

Accomplishments, 2009-11:

- Performed annual landscape inspections on commercial properties to ensure that minimal landscape standards are being met and that property owners are working on improving the environment around their properties.
- Developed a scope of work and supporting map for a comprehensive "way finding" program.
- Initiated work with Saddleback College administration to have their students create a public art element along the City's right-of-way within the South Marguerite Parkway Regional Commerce District.

Performance Measures:					
	Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1	% / # of hours per week spent coordinating review of private development site improvements	65% / 26	65% / 26	50% / 24	60% / 30
2	# of annual commercial landscape inspections	5	5	5	5

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Public Services Administration Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Public Services Administration							
Personnel Services	193,757	212,773	305,256	190,933	-37.5%	191,652	0.4%
Services & Supplies	7,201	5,098	5,752	5,750	0.0%	5,750	0.0%
Total Public Services Administration	200,958	217,871	311,008	196,683	-36.8%	197,402	0.4%

Objectives, 2011-13:

1. Continue to work with local groups to implement public art projects throughout the community as budgeted funds are available (ongoing).
2. Continue to work with the County of Orange on the environmental regulation processing for the County land swap for the dog park by December, 2011 and begin the development of the dog park by April, 2012.
3. Seek funding for the first phase implementation of a comprehensive “way-finding” program for the City by June, 2012.
4. Perform annual landscape inspections on commercial properties to ensure that basic landscape standards are being met and that property owners continue to improve the environment around their properties by June, 2012 and June, 2013.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Infrastructure Maintenance
Department:	Public Services
Program:	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.

Accomplishments, 2009-11:

- Met with the Orange County Fire Authority (OCFA) and evaluated all city maintained open spaces for fire hazard potential. Completed all OCFA recommended vegetation removals and trimming.
- In conjunction with the Public Works Department, prepared the annual municipal fixed facility inventory report.
- Met with Casta Del Sol Golf Course and Mission Viejo Country Club to promote efforts to address perimeter landscape issues and resolve weed abatement issues.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 Average # of parcels inspected for weeds annually*	300	300	300	300
2 # of parcels weed abated*	10	15	15	15
3 # of after-hours calls/emails received/ average # requiring emergency response	800 / 250	800 / 250	800 / 250	800 / 250
4 # of responses to graffiti removal calls within 24 hours**	550	675	675	675
5 #/% of miles of open channels cleaned and cleared of debris and vegetation	5 / 75%	5 / 75%	5 / 75%	5 / 75%
6 # of repairs performed on damaged open channels***	6	10	6	6
7 #/% of catch basins, inlets and parkway culverts inspected	2,000 / 100%	2,000 / 100%	2,000 / 100%	2,000 / 100%
8 # /% of catch basins, inlets and parkway culverts cleaned and cleared of debris and vegetation	300 / 15%	300 / 15%	300 / 15%	300 / 15%

Performance Measure Notes:

*The number of parcels inspected and cleared of weeds is anticipated to remain high due to recessionary effects, which causes property owners and homeowner's associations to be less proactive in addressing weed abatement issues.

**The increase in the amount of graffiti removals are attributed to better reporting with the City's new service request system (CRM) as well as the graffiti tracking system (TAGRS) used in conjunction with the Orange County Sheriff's Department.

***A greater amount of open channel repairs are needed due to damage caused by winter storms in December, 2010.



CITY OF MISSION VIEJO
2011-13 Program Summary



Environmental Maintenance Expenditures

Environmental Maintenance	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	70,999	75,773	47,490	64,056	34.9%	64,588	0.8%
Services & Supplies	649,040	686,348	629,815	595,600	-5.4%	595,650	0.0%
Total Environmental Maintenance	720,039	762,121	677,305	659,656	-2.6%	660,238	0.1%

Objectives, 2011-13:

1. Conduct visits and prepare the annual municipal fixed facility inventory report, in conjunction with the Public Works Department in support of the water quality program, by October, 2011 and October, 2012.
2. Develop a biannual press release for the City blog to alert the public about weed abatement removal dates by April, 2012.
3. Continue 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 by June, 2012 and June, 2013.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	Infrastructure Maintenance
Department:	Public Services
Program:	Facilities Maintenance

Program Description:

Through four separate programs, Facilities Maintenance provides custodial services, pool maintenance, and building maintenance for the following City buildings: City Hall, Library, Marguerite Recreation Center, Aquatics Center, Montanoso and Sierra Recreation Centers, Marguerite and Felipe Tennis Centers, Norman P. Murray Community and Senior Center; Thomas R. Potocki Conference Center, Melinda Center (Heritage House), Community Resource Center, Animal Services Center, Corporation Yard and the Preciados Storage Building. Facility maintenance services include heating/air conditioning system maintenance, electrical, plumbing, pool cleaning and aquatic equipment operations, general facility repairs, meeting room set-ups, preventative maintenance, and routine janitorial services. This program also supervises the replacement and rehabilitation of those 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.

The City owns the Marguerite Recreation Center and the Aquatics Center but leases them to the Saddleback YMCA and the Mission Viejo Nadadores Foundation, respectively. The leases stipulate that the lessees 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.

Accomplishments, 2009-11:

- Installed water conserving devices (flush Valves) in restroom urinals at City facilities.
- Researched plans to curtail electrical use and lowers costs by reducing the length of lighting and HVAC operating hours.
- Installed 12,000 square feet of photovoltaic solar panels on the roof-top of City Hall to reduce dependence on electricity from utility companies.
- Removed, replaced and recycled carpeting in the north-side of the Library and in the City Hall Saddleback Room and adjacent hallway.
- Participated in San Diego Gas & Electric’s “Critical Peak Pricing” Program to save on energy costs and consumption during “high heat” days.
- Installed ADA approved automated doors to the Community Centers men’s and women’s restrooms.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # / % of building service requests completed within 5 days	3,650 / 95%	3,650 / 95%	3,650 / 95%	3650 / 95%
2 # of room setups	2,550	2,650	2,700	2,750
3 # of large scale special events set ups	40	40	41	41

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Facilities Maintenance Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
City Hall/Corporate Yard							
Personnel Services	126,299	129,406	121,108	147,972	22.2%	125,438	-15.2%
Services & Supplies	408,493	366,366	355,819	329,450	-7.4%	329,450	0.0%
Capital Outlay	60,317	-	-	-			
Total City Hall/Corporate Yard	595,109	495,772	476,927	477,422	0.1%	454,888	-4.7%
Recreation Centers							
Personnel Services	111,222	117,910	106,001	110,979	4.7%	111,268	0.3%
Services & Supplies	370,663	318,621	327,035	302,150	-7.6%	302,150	0.0%
Capital Outlay	-	18,638	-	-			
Total Recreation Centers	481,885	455,169	433,036	413,129	-4.6%	413,418	0.1%
NPM/Aquatics/Potocki/Melinda							
Personnel Services	260,138	270,211	295,019	264,346	-10.4%	264,951	0.2%
Services & Supplies	606,345	557,556	647,914	626,500	-3.3%	626,500	0.0%
Total NPM/Aquatics/Potocki/Melinda	866,483	827,767	942,933	890,846	-5.5%	891,451	0.1%
Library							
Personnel Services	111,874	109,100	101,327	104,366	3.0%	104,643	0.3%
Services & Supplies	371,838	348,260	408,000	399,235	-2.1%	404,235	1.3%
Capital Outlay	4,973	13,457	-	-		-	
Total Library	488,685	470,817	509,327	503,601	-1.1%	508,878	1.0%
Total Facilities Maintenance	2,432,162	2,249,525	2,362,223	2,284,998	-3.3%	2,268,635	-0.7%

Objectives, 2011-13:

1. Research the feasibility of realizing additional energy savings through the installation of variable frequency drives for pool motors by June, 2012.
2. Maintain facilities in a safe and healthy manner by July, 2011
3. Paint the inside of the Library study rooms and public areas by June, 2012.
4. Research and develop plans to curtail electrical costs by reducing the hours of lighting and heating/air conditioning use in City buildings (where applicable) by June, 2012.
5. Install additional automated door opener for Oso lounge restrooms at the Norman P. Murray Community Center by June, 2013.
6. Replace exterior windows, doors, and frames at the Melinda Building by June, 2013.
7. Replace the roof at the Felipe Tennis Center by December, 2013.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Infrastructure Maintenance
Department:	Public Services
Program:	Fleet Maintenance

Program Description:

The Fleet Maintenance program maintains and repairs twenty-nine City vehicles, eleven police motorcycles, 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), maintaining rental/leased automotive equipment, and managing the contracts to maintain and repair radio communications equipment in the City's fleet. This program also oversees an ongoing fleet replacement schedule in conjunction with the City's Computer/Equipment/Furnishings/Vehicle (CEFV) fund.

Accomplishments, 2009-11:

- Updated the emergency response equipment list that is carried in Public Services and Public Works vehicles.
- Completed the purchase of the grant funded Chevrolet Equinox vehicle and two Honda motorcycles for the Police Services Department.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 Average age (in years) of fleet*	4.69	7.17	8.13	8.13
2 Average # of miles per vehicle**	45,000	55,000	65,000	55,000
3 % of CNG vehicles in fleet	50%	50%	50%	50%
4 # of semi-annual tune-ups on City-owned police motorcycles	22	22	22	22

Performance Measure Notes:

**The average age of the City's fleet is projected to increase due to reduced funding levels available for fleet asset replacements.*

***Figures reflect the anticipated replacement of one Animal Services Vehicle and three Public Services light duty trucks sometime during the 2011-13 budget.*



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Fleet Maintenance Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Fleet Maintenance							
Personnel Services	44,980	38,092	25,022	33,329	33.2%	33,420	0.3%
Services & Supplies	176,643	193,676	173,450	117,200	-32.4%	117,200	0.0%
Total Fleet Maintenance	221,623	231,768	198,472	150,529	-24.2%	150,620	0.1%

Objectives, 2011-13:

1. Research the availability of grant funding from the Air Quality Management District (AQMD) or California Air Resource Board (CARB) for the purchase of alternative fuel vehicles by June, 2012.
2. Replace scheduled vehicles with alternative fuel vehicles to include hybrid electric, dedicated compressed natural gas (CNG) and bi-fuel vehicles by November, 2012.
3. Research competitive vendors for the annual maintenance contract for the two City owned compressed natural gas (CNG) fueling stations by March, 2013.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Infrastructure Maintenance
Department:	Public Services
Program:	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. 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.

Accomplishments, 2009-11:

- Completed the conversion of landscape medians and slopes on Marguerite Parkway at Mesilla, Verano and La Mancha to recycled water.
- Rehabilitated the landscape slopes on Marguerite Parkway east side from Trabuco Road to Pueblo Nuevo.
- Completed the median island phase of capital improvement project (CIP 207) water quality grant, renovation of Marguerite Parkway median Island from Estanciero to Mesilla.
- Implemented landscape maintenance management program for the completed Crown Valley Parkway medians, quads and parkways.
- Began management of all irrigation controllers that were recently converted to SmarTimer technology, using central Internet, weather based controllers through a conservation grant provided through the Metropolitan Water District.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 % of medians/slopes irrigated with reclaimed water	72%	76%	80%	82%
2 # of medians/parkways landscape service requests responded to within two weeks*	150	150	150	150
3 # of acres of landscape renovated**	1	1	0	0

Performance Measure Notes:

**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.*

***Number of acres based on renovated slopes and medians; this number is expected to decrease due to budget reductions.*



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Medians and Parkways Expenditures

Medians and Parkways Maint	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	253,727	249,851	258,174	114,763	-55.5%	115,046	0.2%
Services & Supplies	3,246,037	2,458,305	2,375,097	2,158,700	-9.1%	2,139,200	-0.9%
Capital Outlay	97,050	-	-	-	0.0%		0.0%
Total Medians and Parkways Maint	3,596,814	2,708,156	2,633,271	2,273,463	-13.7%	2,254,246	-0.8%

Objectives, 2011-13:

1. Implement landscape maintenance management for newly constructed Oso Parkway medians, quads and parkways by November, 2011.
2. Expand the use of recycled water for irrigation by converting La Paz Road medians and slopes to recycled water usage by September, 2011 and Jeronimo Road medians and slopes by November, 2012.
3. Continue to apply for grant funding in an effort to rehabilitate the median islands on Marguerite Parkway to reduce water consumption by March, 2013.
4. Continue to rehabilitate slopes on Marguerite Parkway as funds become available (ongoing).



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Infrastructure Maintenance
Department:	Public Services
Program:	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.

Accomplishments, 2009-11:

- Updated the City water conservation ordinance in compliance with AB 1881.
- Completed the citywide conversion of sports field lighting controllers to an internet/cellular-based system.
- Replaced park signage at Marguerite Recreation Center.
- Completed design and working drawings for Eldorado Park.
- Completed the conversion of Cordova Park, La Mancha Park, Mission Viejo Animal Services Center and Felipe Recreation Center landscapes to recycled water.
- Entered all water meters and related data into the Metropolitan Water District of Orange County (MWDOC) Landscape Performance Program.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 % of parks connected to central irrigation system	47%	50%	47%	50%
2 % of parks irrigated with reclaimed water	70%	77%	80%	82%
3 % of parks / playgrounds upgraded to comply with AB 1055 standards*	52%	55%	55%	55%
4 # of park landscape / # of park amenity services requests resolved within two weeks	30 / 250	30 / 250	30 / 250	30 / 250
5 # of sports field usage permits issued	550	550	550	550
6 # of special sports tournaments/clinics supported by Public Services Operations staff	20	20	20	20
7 # of volunteer hours coordinated by the Public Services Operations Division**	8,500	8,500	8,500	8,500
8 # of hours of special events support requiring site logistics, setup, take down and traffic control	2,200	2,200	2,200	2,200

Performance Measure Notes:

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

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



CITY OF MISSION VIEJO
2011-13 Program Summary



Parks Maintenance Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Parks Maintenance							
Personnel Services	414,324	428,322	402,011	438,398	9.1%	439,561	0.3%
Services & Supplies	5,742,043	4,795,917	5,009,063	4,929,860	-1.6%	5,038,385	2.2%
Capital Outlay	180,435	200,919	-	-	0.0%	-	0.0%
Total Parks Maintenance	6,336,802	5,425,158	5,411,074	5,368,258	-0.8%	5,477,946	2.0%

Objectives, 2011-13:

1. Expand the use of recycled water for irrigation purposes by converting M.M. O'Neill Park by January, 2012 and Aurora Park to recycled water usage by June, 2013.
2. Complete the renovation of one park site playground by June, 2013.
3. Coordinate volunteer projects with the Boy Scouts of America and other local non-profit groups and organizations that focus on landscape rehabilitation projects in parks with a goal of completing four acres of landscape rehabilitation by January, 2012 and an additional five acres by June, 2013.
4. Replace "palm tree up lighting" at the Civic Center with energy efficient Light Emitting Diode (LED) lighting by June, 2012.
5. Replace assets that are prioritized and budgeted in the Facility Repair and Replacement (FR&R) fund which are scheduled for replacement by June, 2013.
6. Replace baseball scoreboards at Gilleran and Curtis Parks with energy efficient Light Emitting Diode (LED) scoreboards by January, 2013.
7. Continue to replace incandescent holiday lighting with energy efficient Light Emitting Diode (LED) light stands, focusing on the completion of the La Paz Road median by December, 2012.
8. Pursue the development of an interactive walking tour along the Oso Creek Trail to be accessed from smart phones by March, 2013.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	Infrastructure Maintenance
Department:	Public Services
Program:	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.

Accomplishments, 2009-11:

- Prepared thirty maintenance contracts for rebidding and submitted to City Council for approval.
- Distributed Operation Clean Street courtesy notices in problematic neighborhood areas to vehicles parked on streets on sweep days and mailed street sweeping calendars to residents.
- Replaced City street signs in residential neighborhoods associated with the seven-year slurry seal and overlay program.
- Repaired and slurry sealed asphalt walking trails in Jeronimo Open Space from Pavion Park to Arbolitos, and the walking trails at Minaya Park.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 % of arterial street miles swept weekly	100%	100%	100%	100%
2 % of residential street miles swept bi-weekly	100%	100%	100%	100%
3 % of potholes repaired within 5 days of notification	100%	100%	100%	100%
4 # of signs replaced/added/changed*	650	650	650	650
5 # / % of street, curb and sidewalk repairs completed within 30 days	300 / 90%	300 / 90%	300 / 90%	300 / 90%
6 # of miscellaneous water problems (i.e., groundwater seepage) resolved**	6	7	6	6
7 # of street sweeping courtesy notices distributed to cars parked on street sweeping day	200	200	200	200

Performance Measure Notes:

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



CITY OF MISSION VIEJO
2011-13 Program Summary



Street Maintenance Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Street Maintenance							
Personnel Services	333,375	258,243	229,250	348,073	51.8%	349,024	0.3%
Services & Supplies	1,915,533	1,870,131	1,871,728	1,867,155	-0.2%	1,867,255	0.0%
Total Street Maintenance	2,248,908	2,128,374	2,100,978	2,215,228	5.4%	2,216,279	0.0%

Objectives, 2011-13:

1. Distribute "Operation Clean Street" courtesy notices to vehicles parked on streets on designated sweep days, focusing on problematic areas in the northern part of the City, north of Jeronimo Road, by June, 2012 and south of Jeronimo by June, 2013.
2. Coordinate replacement of City street signs in residential neighborhoods that are scheduled for slurry sealing as part of the City's seven-year slurry program by June, 2012 and June, 2013.
3. Repair and slurry seal parking lots at the Thomas R. Potocki Center, Melinda Park, and Norman P. Murray Community and Senior Center by June, 2013.
4. Repair and slurry seal asphalt walking trails in the Wilderness Glen by June, 2012.
5. Replace "No Parking" signs along Marguerite Parkway by June, 2012.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Infrastructure Maintenance
Department:	Public Services
Program:	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.

Accomplishments, 2009-11:

- Successfully qualified for the eleventh consecutive year as Tree City USA.
- Conducted annual Arbor Day planting ceremonies during Arts Alive event at Oso Viejo Park.
- Responded to all tree failures related to the December 2010 Winter Storms, which was part of the Federal and State disaster declaration.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 % of total City trees trimmed annually	20%	20%	20%	20%
2 # of trees replaced within the City through reforestation*	200	150	100	100
3 # of tree-related service requests addressed within two weeks	50	50	50	50

Performance Measure Notes:

**The number of tree replacements is reduced from prior years due to decreased available funding for landscape rehabilitation along Marguerite Parkway.*



CITY OF MISSION VIEJO
2011-13 Program Summary



Urban Forestry Expenditures

	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	% Change	FY 2012/13	% Change
	Actual	Actual	Adopted	Adopted	from Prior	Adopted	from Prior
					Year		Year
Urban Forestry							
Personnel Services	161,099	159,548	138,299	75,952	-45.1%	76,167	0.3%
Services & Supplies	654,420	632,539	611,904	611,675	0.0%	611,675	0.0%
Total Urban Forestry	815,519	792,087	750,203	687,627	-8.3%	687,842	0.0%

Objectives, 2011-13:

1. Update City tree inventory to include tree additions and deletions resulting from landscape rehabilitation and tree failures by June, 2012.
2. Qualify for and maintain "Tree City USA" designation by June, 2012 and June, 2013.
3. Conduct Arbor Day activities in conjunction with the annual Arts Alive and Green Expo by April, 2012 and April, 2013.
4. Continue to update the city's website in order to focus on public education of optimum tree health, and provide information regarding tree selection and maintenance by February, 2012



CITY OF MISSION VIEJO
2011-13 Operating Program Areas Summary



RECREATION, COMMUNITY AND LIBRARY SERVICES

This program area includes all of the programs in the Recreation and Community Services and Library and Cultural Services departments.

The Library and Cultural Services Department is responsible for managing and operating the full service Mission Viejo Library and providing cultural programs for the community. In addition to overseeing daily library operations, staff also provides programming and services for youths and adults, including an adult literacy program and a homebound delivery program.

The Recreation and Community Services Department manages the City's contracts for recreation classes, community and senior programs, and special events. This department also oversees activities at the Norman P. Murray Community and Senior Center, two recreation centers, two tennis centers, the Heritage House, and the Thomas R. Potocki Center. The YMCA operates the Marguerite Recreation Center, and the Mission Viejo Nadadores organization uses the Marguerite Aquatics Center, through an agreement with the City.

Recreation and Community Services also provides staff support to the Community Services Commission, the staff time for which is listed under the General Government/Legislative Program Area Summary.

STAFFING
FULL-TIME EQUIVALENTS (FTE)

Program	FY 2008/09 Actuals	FY 2009/10 Actuals	FY 2010/11 Actuals	FY 2011/12 Adopted	Change from Prior Year	FY 2012/13 Adopted	Change from Prior Year
Library & Cultural Services							
Administration	2.750	3.000	3.000	3.000	0.000	3.000	0.000
Public Services	11.000	10.125	10.125	10.125	0.000	10.125	0.000
Support Services	3.125	3.125	3.125	3.125	0.000	3.125	0.000
Operations	7.250	7.250	7.250	7.000	-0.250	7.000	0.000
Cultural Services	-	-	2.000	2.000	0.000	2.000	0.000
Total	24.125	23.500	25.500	25.250	-0.250	25.250	0.000
Recreation & Community Services							
Administration	2.925	2.925	1.700	1.700	0.000	1.700	0.000
Recreation	1.525	1.525	1.300	1.300	0.000	1.300	0.000
Norman P. Murray Center	10.600	10.100	8.100	8.175	0.075	9.250	1.075
Community Services	2.550	3.050	1.750	1.000	-0.750	1.000	0.000
Rec. and Tennis Centers	15.950	15.325	15.325	15.750	0.425	14.175	-1.575
Total	33.550	32.925	28.175	27.425	-0.750	27.425	0.000
TOTAL FTE	57.675	56.425	53.675	52.675	-1.000	52.675	0.000

**Prior to FY 2010/11, Cultural Services was part of the Recreation and Community Services Department; staff was accounted for in the Community Services program in that department.*



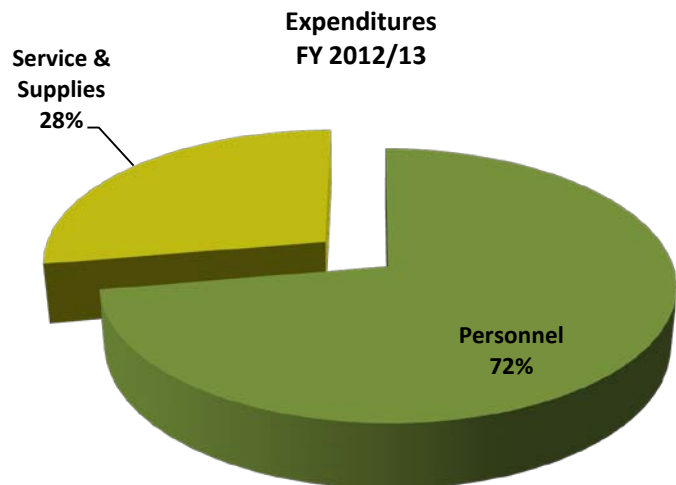
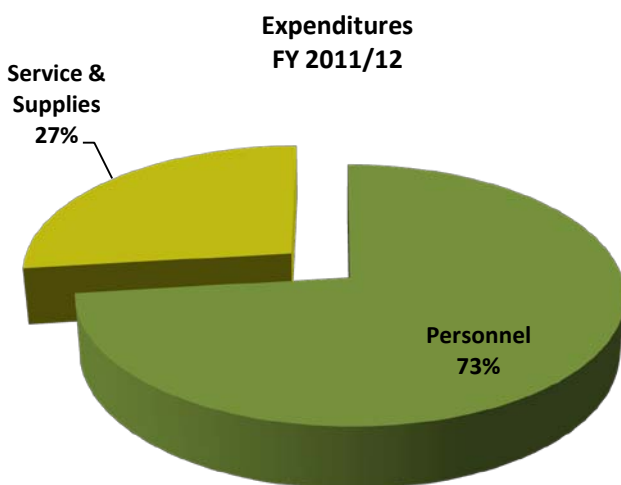
2011-2013 Budget Program Area Summary



Recreation, Community and Library Services Expenditures, All Funds: FY 2008/09 - FY 2012/13

	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
	Actual	Actual	Adopted	Adopted			
Library and Cultural Services Department*							
Library Services Administration	491,044	503,980	508,934	538,498	5.8%	539,446	0.2%
Cultural Services*	-	63,732	321,902	295,815	-8.1%	293,386	-0.8%
Operations	695,369	743,844	685,532	686,451	0.1%	687,760	0.2%
Public Services	1,297,166	1,172,183	1,083,961	1,077,344	-0.6%	1,079,753	0.2%
Support Services	372,210	360,183	365,005	362,547	-0.7%	363,409	0.2%
Library Department	2,855,789	2,843,922	2,965,334	2,960,655	-0.2%	2,963,754	0.1%
Recreation & Community Services Dept*							
Rec and Comm Serv Administration	477,743	409,513	390,018	291,570	-25.2%	292,301	0.3%
Community Services	568,171	467,261	266,481	272,751	2.4%	273,057	0.1%
Norman P. Murrury Center	1,077,337	1,035,148	974,519	1,049,329	7.7%	985,410	-6.1%
Recreation	828,151	814,251	810,245	832,345	2.7%	832,674	0.0%
Felipe Tennis Center	321,112	249,299	263,008	172,150	-34.5%	242,516	40.9%
Marguerite Tennis Center	242,906	283,275	296,038	293,835	-0.7%	294,230	0.1%
Montanoso Recreation Center	909,900	912,068	838,461	822,672	-1.9%	867,004	5.4%
Sierra Recreation Center	629,526	594,508	586,671	534,809	-8.8%	535,846	0.2%
Recreation & Community Services Dept	5,054,846	4,765,323	4,425,441	4,269,461	-3.5%	4,323,038	1.3%
Recreation/Community/Library Serv	7,910,635	7,609,245	7,390,775	7,230,116	-2.2%	7,286,792	0.8%

*The Cultural Services program and 2.0 FTE were moved from the Recreation and Community Services Department to Library and Cultural Services Department in FY 2010/11.



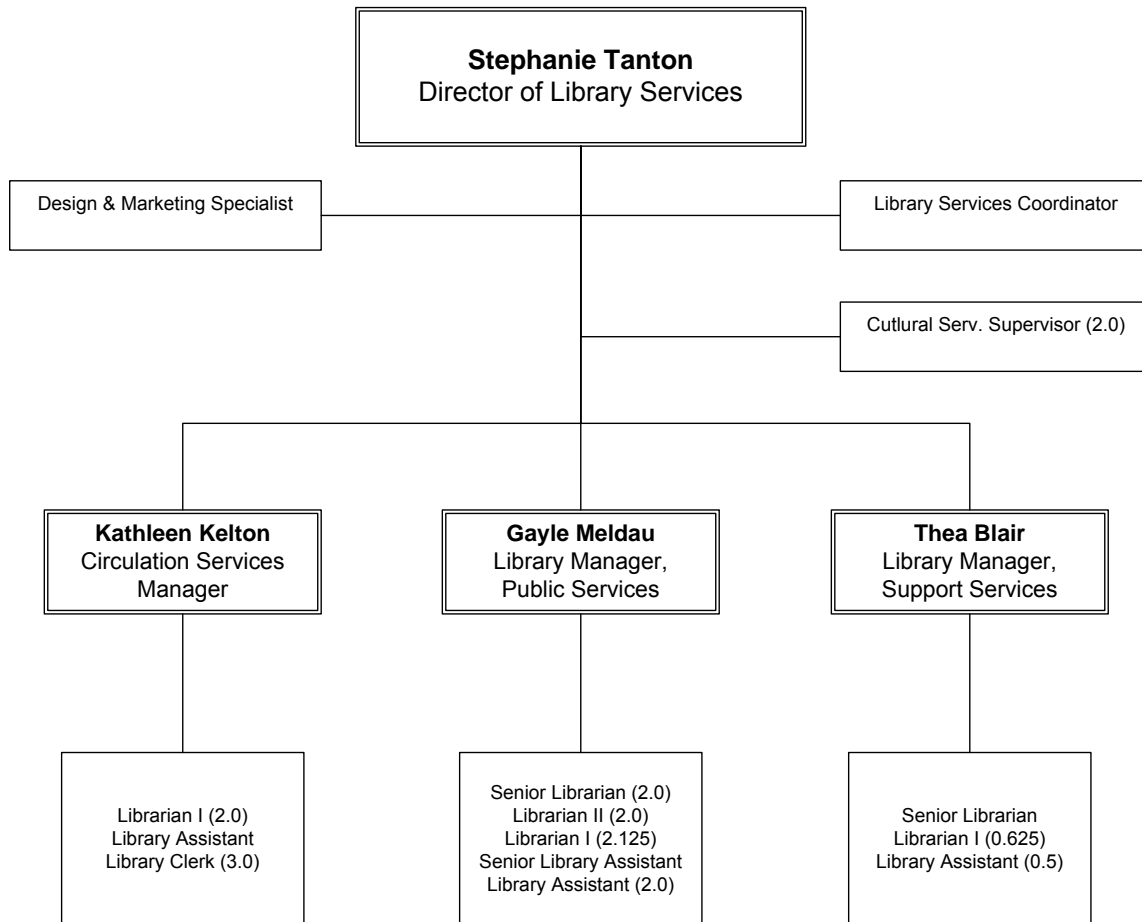
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CITY OF MISSION VIEJO
2011-13 Department Organizational Chart



LIBRARY SERVICES DEPARTMENT





**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Recreation, Community and Library Services
Department:	Library and Cultural Services
Program/Division:	Administration

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.

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.

Accomplishments, 2009-11:

- Initiated and produced the first two Mission Viejo Readers' Festivals.
- Collaborated with the Friends of the Library Board, community groups, local businesses and volunteers.
- Received a 98% customer satisfaction rating from Mission Viejo residents on the annual Community Survey.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 Materials budget / amount per capita	\$175,000 / \$1.75	\$175,000 / \$1.75	\$50,000 / \$.50	\$50,000 / \$.50
2 # of volunteer service hours donated / value of hours donated (in thousands)	19,500 / \$394	19,900 / \$403	20,088 / \$429	21,000 / \$448

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Library and Cultural Services Administration

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Administration							
Personnel Services	411,657	438,538	455,713	466,448	2.4%	467,396	0.2%
Services & Supplies	48,677	65,442	53,221	72,050	35.4%	72,050	0.0%
Capital Outlay	30,710	-	-	-	-	-	-
Total Library Administration	491,044	503,980	508,934	538,498	5.8%	539,446	0.2%

Objectives, 2011-13:

1. Develop and conduct a survey of first, fourth, seventh, and tenth grade teachers in Saddleback Valley Unified School District (SVUSD) and Capistrano Unified School District (CUSD) with a goal of evaluating and improving outreach programming, contacts, and methods by March, 2012.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Recreation, Community and Library Services
Department:	Library and Cultural Services
Program:	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 communitywide special events. The cultural art programs offered include musical performances such as the South Coast Symphony, "Lord of the Strings," "Timeless Melodies Musical Documentaries," "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 communitywide events include: "Target Symphony in the Park" (featuring the Pacific Symphony Orchestra), "Arts Alive and Street Painting Festival," and the "Friends Present Mission Viejo Readers' 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.

Accomplishments, 2009-11:

- Worked with Mission Viejo High School, the Orange County Chinese Art Association, Saddleback Art League, and other community groups to present multiple, temporary art exhibits in various venues throughout the City and on the Parkway Gallery.
- Oversaw the creation and installation of three new permanent outdoor murals, additional "Iconic Leaves" community art sculptures, as well as several additional art works for City Hall.
- Worked with local artists, a local museum, community groups, and City departments to present several signature cultural events including Prelude in the Park, Arts ALIVE, and other events.
- In collaboration with the Mission Viejo Heritage Committee, created exhibits for the Heritage House including "Aviation" and "The History of Trees" as well as several smaller history exhibits for other city venues.
- Coordinated the addition of brief musical performances to open City Council meetings.
- Collaborated with schools and colleges to work on activities such as the United Nations Art Mile project, Arts ALIVE, and Dr. Seuss' birthday celebration.

Performance Measures:

Measure	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
	Actual	Actual	Projected	Projected
1 # of music and art classes / # of attendees	24 / 240	24 / 500	22 / 250	25 / 350
2 # of exhibits and cultural arts programs / # of attendees	43 / 7,080	45 / 7,270	16 / 6,500	18 / 8,000
3 # of general cultural events / # of attendees	N/A*	N/A*	36 / 4,000	40 / 5,000
4 # of signature cultural/community events / # of attendees (e.g., Arts Alive, Pacific Symphony Orchestra, Readers' Festival)	N/A*	N/A*	3 / 12,500	3 / 15,000
5 # of volunteers / # of hours donated	N/A*	N/A*	400 / 1,200	410 / 1,500
6 # of promotional items distributed (e.g., blog articles, E-newsletters, etc.)	N/A*	N/A*	45	50

Performance Measure Notes:

**The Cultural Services program was transferred from Recreation and Community Services to Library Services in FY 2010/11. These are new performance measures reflecting the updated focus due to this re-organization.*



CITY OF MISSION VIEJO
2011-13 Program Summary



Cultural Services Expenditures

	FY 2008/09 Actual*	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Cultural Services							
Personnel Services	-	26,117	199,165	199,415	0.1%	199,986	0.3%
Services & Supplies	-	37,615	122,737	96,400	-21.5%	93,400	-3.1%
Total Cultural Services	-	63,732	321,902	295,815	-8.1%	293,386	-0.8%

**Prior to FY 2009/10, the Cultural Services program was part of the Recreation and Community Services Department.*

Objectives, 2011-13:

1. Organize and facilitate two community public art projects and two joint school district (Saddleback Valley Unified School District and Capistrano Unified School District) art media collaborations or art shows by June, 2013
2. Partner, annually, with ten community organizations and stakeholders, and City Departments, to present three citywide cultural events: "Target Symphony in the Cities" (Pacific Symphony Orchestra), "Arts Alive and Street Painting Festival," and the "Friends Present Mission Viejo Readers' Festival" by June, 2013.
3. Partner with five local schools to provide on-site programming related to a nationwide learning event such as "Read Across America," and educate attendees about library and cultural resources by June, 2012.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Recreation, Community and Library Services
Department:	Library and Cultural Services
Program/Division:	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 the Department's Passport Acceptance Service and LiveScan fingerprinting operations.

Accomplishments, 2009-11:

- Coordinated the Library recarpeting project, moving books and materials to expedite the process with minimal interruption to library services.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # library patrons / % MV residents	136,925 / 77%	145,595 / 77%	146,000 / 81%	147,000 / 81%
2 Annual circulation (in millions) / circulation per capita	1.02 / 5.9	1.04 / 6.0	.98 / 5.5	.98 / 5.5
3 # of annual visits / # visits per capita	780,000 / 4.6	789,000 / 4.6	793,000 / 4.5	794,000 / 4.5

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Operations Expenditures

	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	% Change	FY 2012/13	% Change
	Actual	Actual	Adopted	Adopted	from Prior	Adopted	from Prior
					Year		Year
Operations							
Personnel Services	657,202	702,771	647,241	648,176	0.1%	649,485	0.2%
Services & Supplies	38,167	41,073	38,291	38,275	0.0%	38,275	0.0%
Total Library Operations	695,369	743,844	685,532	686,451	0.1%	687,760	0.2%

Objectives, 2011-13:

1. Reduce temporary staff (Hourly/Seasonal/Temporary) hours by 5% in FY 2012/13 by increasing patron self-serve opportunities (e.g., self-checkout, self-registration for new library card, self-service hold pick-up, etc.) and improving workflow efficiency (e.g., materials check-in and check-out and collection inventory) through the installation and implementation of RFID (Radio Frequency Identification) by June, 2013.
2. Design and remodel the Friends Community Room as a family-friendly space that promotes and fosters literacy and life-long learning for 9,000 youth and their caregivers by December, 2011.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Recreation, Community and Library Services
Department:	Library and Cultural Services
Program/Division:	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.

Accomplishments, 2009-11:

- Awarded a Library Services and Technology Act (LSTA) grant for training to designate the Mission Viejo Library a "Family Place Library;" which offers a free five week Parent/Child workshop, a parenting resource collection and an area for parents and caregivers to connect.
- Using grant funding from the California State Library, refreshed the Library's career and job search resources and offered eleven Job Search Success classes for teens, recent college graduates and adults.
- Surveyed library patrons as part of the state-wide Snapshot Day on October 4, 2010, which helped create a feeling of community with the patrons by taking photos of them and the services used at the library. Patrons had the opportunity to tell us why they were here and how we could enhance our services.
- Hosted the first "Read Across America" family night program with Barcelona Hills Elementary School.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # of reference/information requests / % answered in 24 hrs	204,852 / 98%	210,997 / 98%	208,446 / 99%	209,000 / 99%
2 # of programs (Adult, Young Adult, Children's, All Other)/ total attendance*	650 / 28,000	650 / 25,000	640 / 32,000	631 / 30,000

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Public Services Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Public Services							
Personnel Services	1,046,177	1,008,284	1,007,861	1,006,744	-0.1%	1,009,153	0.2%
Services & Supplies	250,989	163,899	76,100	70,600	-7.2%	70,600	0.0%
Total Library Public Services	1,297,166	1,172,183	1,083,961	1,077,344	-0.6%	1,079,753	0.2%

Objectives, 2011-13:

1. Promote and foster the objectives of the Family Place Library Program (school readiness, early literacy) and encourage library use by children by increasing the size of the youth materials collection by 3% each year, using funds donated by the Friends of the Mission Viejo Library by June, 2013.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Recreation, Community and Library Services
Department:	Library and Cultural Services
Program/Division:	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.

Accomplishments, 2009-11:

- Implemented Envisionware software to increase the number of patrons with access to public computers and increase efficiency of print payment and computer time options for Library patrons.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 Collection size / collection per capita	173,339 / 1.73	174,000 / 1.75	179,000 / 1.78	178,000 / 1.78

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Support Services Expenditures

	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	% Change	FY 2012/13	% Change
	Actual	Actual	Adopted	Adopted	from Prior	Adopted	from Prior
					Year		Year
Support Services							
Personnel Services	347,365	340,290	343,930	343,472	-0.1%	344,334	0.3%
Services & Supplies	21,586	19,893	21,075	19,075	-9.5%	19,075	0.0%
Capital Outlay	3,259	-	-	-	-	-	-
Total Library Support Services	372,210	360,183	365,005	362,547	-0.7%	363,409	0.2%

Objectives, 2011-13:

1. Continue to promote and foster the participation of 9,000 residents each year through the presentation of the Friends of the Mission Viejo Library’s free and multigenerational literature-based programs: “Writers Present”, “Readers’ Festival”, and “SummerREAD,” by June, 2013.

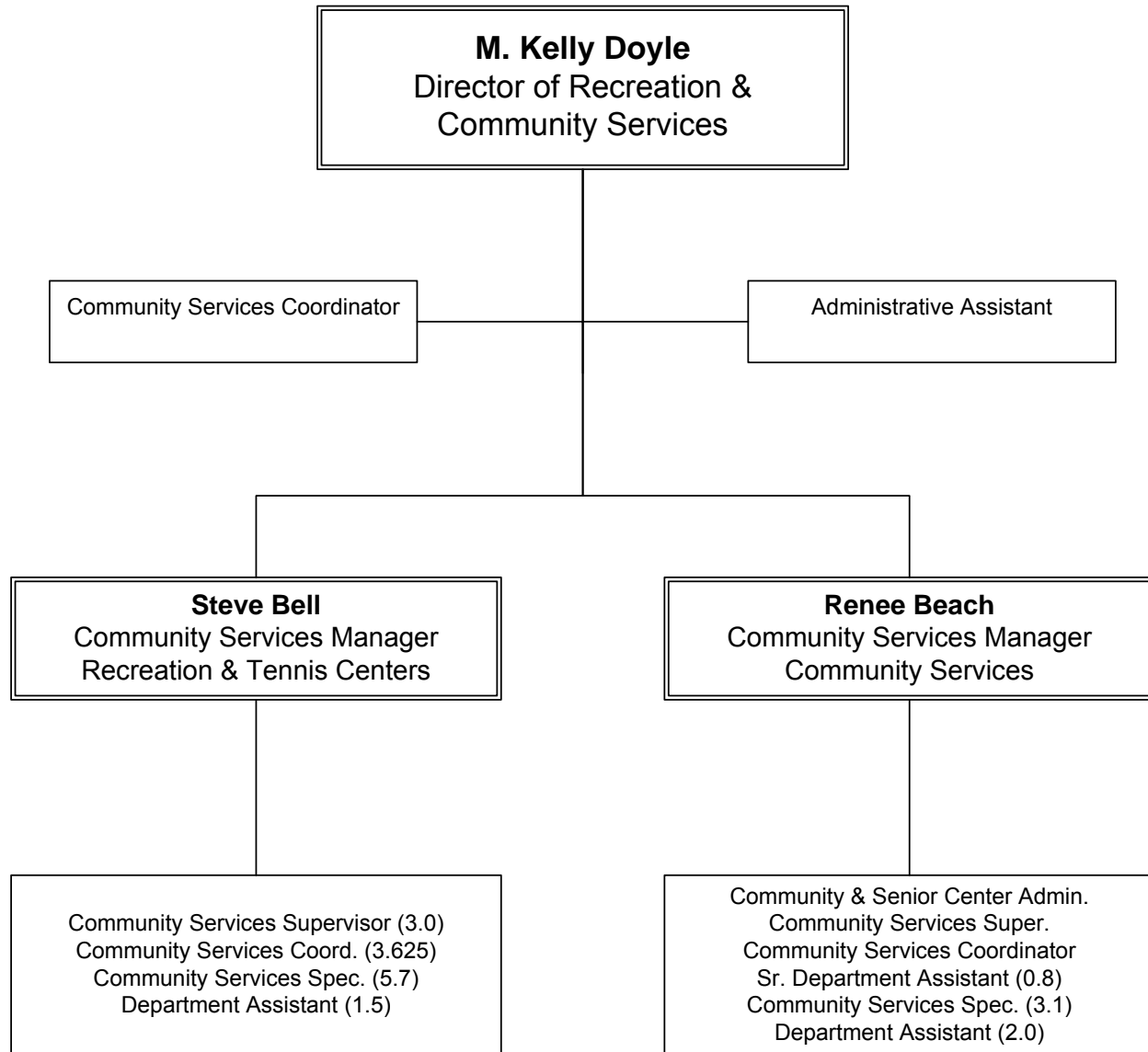
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CITY OF MISSION VIEJO
2011-13 Department Organizational Chart



RECREATION & COMMUNITY SERVICES DEPARTMENT





**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Recreation, Community and Library Services
Department:	Recreation and Community Services
Program:	Administration

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.

Program Description:

The Administration program is responsible for the central management of the Department's two divisions and seven 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.

Accomplishments, 2009-11:

- Updated and refined the Community Events Calendar to identify and address programming gaps, options for event consolidation and/or community collaboration, staff scheduling constraints and volunteer needs.
- Conducted the First Annual "Tee It Up Fore Marines" benefit golf tournament in March, 2011, drawing over 144 golfers and raising over \$20,000 for the Headquarters Battalion of the First Marine Division.

Performance Measures:				
Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # Partnerships to create community building	20	30	35	40
2 # Marine families adopted for the holidays	85	85	35	50
3 # Marines and family members attending the "Lake Event"	600	1,000	1,200	1,200
4 # holiday toys donated for Marine children	750	800	1,000	1,000
5 \$ amount of funds raised for Marines "Formal Ball"	\$15,000	\$40,000	\$40,000	\$40,000
6 # picnic permits issued	150	300	300	300

Performance Measure Notes:



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Recreation and Community Services Administration Expenditures

Rec. & Community Services Admin	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Personnel Services	421,678	377,158	351,248	254,570	-27.5%	255,301	0.3%
Services & Supplies	56,065	32,355	38,770	37,000	-4.6%	37,000	0.0%
Total Rec. & Community Services Admin	477,743	409,513	390,018	291,570	-25.2%	292,301	0.3%

Objectives, 2011-13:

1. Review and refine the Community Events Calendar to identify and address programming gaps, options for event consolidation and/or community collaboration, staff scheduling constraints and volunteer needs by September, 2011.
2. In conjunction with the Student Activity Committee, develop a formal program with local schools and studios to promote youth cultural arts performances and/or art exhibits at City facilities and events by December, 2011.
3. Communicate with staff and explore their interest in volunteer opportunities and community building activities by December, 2011.
4. Start rehabilitation of the Marguerite Tennis Center by June, 2011 with scheduled completion by June, 2012.
5. Determine ways to better utilize the City's volunteer data base system to communicate with and solicit feedback from volunteers more effectively and to deploy their time more efficiently for different City events and activities by June, 2012.
6. Work with the American Red Cross to determine the feasibility of utilizing the Norman P. Murray Center as a care and shelter facility, and develop and implement specific components for care and sheltering for the Emergency Operation Plan by December, 2011.
7. Conduct or support twelve major events in the community each fiscal year (ongoing).
8. Develop partnerships in the community with individuals, organizations, groups and public entities such as "Outta Bounds Events" youth group, "Team X Tabari" for autistic children, "Carl Hankey School Fitness Programs," Bathgate School's "Turn off the TV Week," Saddleback College's "KSBR Jazz Festival," Creative Arts Production's "Street Painting Festival," and Mission Viejo Activities Committee's "4th of July Street Faire and Fireworks Spectacular," (ongoing).
9. Increase public awareness and provide community building and support opportunities regarding the City's adopted Headquarters Battalion of the First Marine Division by partnering with the adoption committee to conduct community activities, such as "Day at Lake Mission Viejo," holiday "Adopt-A-Marine Family" program, collecting and sending care package donations overseas, hosting car wash fundraisers, and selling promotional items to raise funds (ongoing).
10. Implement a community service recognition program by September, 2011.
11. Develop a conceptual plan for trails in Mission Viejo by December, 2011.
12. Complete an update of the Community Services Master Plan by September, 2011.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	Recreation, Community and Library Services
Department:	Recreation and Community Services
Program:	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 Fair, 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.

Accomplishments, 2009-11:

- Provided regular updates to City departments regarding upcoming City events and volunteer opportunities, providing community building activities.
- Utilized the City volunteer database, Volgistics, to successfully communicate and solicit feedback from over 200 volunteers and to deploy their services more efficiently at a variety of City events and activities.
- Utilized the Community Events Calendar to minimize duplication of efforts by City departments and to identify staffing/space uses, and to design more effective marketing strategies.
- Collaborated with community partners to provide six low cost “Family Fun Nights” with special activities including a hike, crafts and dancing during summer 2010.
- The Community Events Calendar and Leisure Time publication were used quarterly each fiscal year to train, orient and confirm staffing and volunteer needs within the division for events, activities and facility rentals.
- Partnerships were developed with various community organizations including KSBR, Canyon Crest Garden Club, Joyful Foundation, Saddleback College, Saddleback Valley Unified School District, SOARA, National Charity League, U.S. Army, Fair Housing Foundation, Friends of the Library, DAWG, American Cancer Society, Mission Hospital, Mission Viejo Activities Committee, VFW, American Legion, Assisteens, Rose Society of Saddleback Mountain, Oxford Preparatory Charter School, etc.
- Established a partnership with Saddleback College's radio station, KSBR Jazz FM 88.5, to host seven Livecasts at the Norman P. Murray Community and Senior Center to air on MVTV.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 # of Community classes / # of attendees	N/A	26/260	26/300	26/330
2 # of Citywide hosted special events / # of attendees	15/58,500	16/60,000	16/60,500	16/60,800
3 # of KSBR Livecasts / # of attendees	N/A	6/1,200	16/3,500	16/4,000

Performance Measure Notes:



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Community Services Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Community Services							
Personnel Services	296,948	256,369	106,326	106,751	0.4%	107,057	0.3%
Services & Supplies	271,223	210,892	160,155	166,000	3.8%	166,000	0.0%
Total Community Services	568,171	467,261	266,481	272,751	2.6%	273,057	0.1%

Objectives, 2011-13:

1. Engage the Community of Character Committee, Community of Character youth sub-committee and Student Advisory Committee to develop youth-based activities and services by January, 2012 and January, 2013.
2. Provide three low cost community programs, such as Mother's Day, Father's Day, and Grandparent's Day picnics by collaborating with the Citizen Committee by February, 2012.
3. Update and maintain monthly the citywide Community Events Calendar and Leisure Time publication for effective and efficient community event planning to avoid duplication of efforts (ongoing).
4. Partner with community organizations such as Saddleback College, the Pacific Symphony, KSBR, Kiwanis Club of Mission Viejo, Saddleback Valley Unified School District (SVUSD), Capistrano Unified School District (CUSD), Mission Viejo Activities Committee, and others to provide citywide special events (ongoing).
5. Develop a community events and opportunities sponsorship packet to be used to solicit additional funding and in-kind support of community programs and special events including the KSBR Livecasts by December, 2012.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Recreation, Community and Library Services
Department:	Recreation and Community Services
Program:	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.

Accomplishments, 2009-11:

- Senior Citizen Activities Committee hosted 10–20 workshops, activities and events monthly and provided event booth activities at Arts Alive, Pacific Symphony and Santa's Arrival.
- Promoted Norman P. Murray activities to community organizations by hosting two organization tours, facilitated monthly Newcomer Orientations and Tours averaging thirteen attendees monthly, and promoted nine on-going donation collections through events, fliers and promotional plans.
- Held Citizen Committee in-service training focusing on service, intergenerational programming, cultural events and character building.
- Planned and executed annual evacuation drills at the Norman P. Murray Community and Senior Center.
- Secured Senior Meal sponsorship through two National Charity League chapters initiating collaborative planning of theme parties and donations of goods and services.
- The Dial-A-Taxi Program registered 850 people in the senior transportation database, processed 635 program applications, issued 503 photo identification cards and provided 3,740 taxi trips.

Performance Measures:

	Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1	# of on-site meals served*	15,250	11,000	11,000	11, 500
2	# of registered seniors	8,300	8,400	8,900	9,000
3	# of senior activities / # of attendees	170/57,500	175/59,000	175/ 60,000	175/61,000
4	# of volunteer hours donated	24,000	24,500	24,600	24,700
5	Value of donated services/products	\$650,000	\$675,000	\$700,000	\$750,000
6	# of facility rentals/attendees	4,585/131,298	4,700/135,000	4,800/135,000	4,900/140,000
7	Facility rental revenue**	\$147,552	\$150,000	\$250,000	\$250,000
8	# senior home delivered meals	44,000	45,000	47,000	48,000
9	# of taxi trips/photo IDs issued	1,700/380	1,800/400	3,000/450	3,500/500
10	# of rental turn-aways	588	700	725	750
11	# of staff on-line facility reservation requests	N/A	120	130	140

Performance Measure Notes:

*The number of congregate meal attendance has declined; home delivered meal service has increased.

**Facility rental revenue is projected to increase based on the recently approved cost recovery study completed in FY 2010/11.



CITY OF MISSION VIEJO
2011-13 Program Summary



Norman P. Murray Center Expenditures

	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	% Change	FY 2012/13	% Change
	Actual	Actual	Adopted	Adopted	from Prior	Adopted	from Prior
					Year		Year
Norman P. Murray Center							
Personnel Services	854,812	838,185	695,320	799,949	15.0%	728,545	-8.9%
Services & Supplies	222,525	196,963	279,199	249,380	-10.7%	256,865	15.8%
Total Norman P. Murray Center	1,077,337	1,035,148	974,519	1,049,329	7.7%	985,410	-6.1%

Objectives, 2011-13:

1. Recruit and schedule Senior Citizen Activities Committee members to host twelve activities or events per month by June, 2012 and twenty-four activities or events per month by June, 2013.
2. Recruit and train four front counter volunteers by December, 2011 and four additional volunteers by December, 2012.
3. Utilize the annual Senior Registration Database to identify program and service interests by July 2011, and July, 2012
4. Develop a senior events and activities sponsorship packet to be used to solicit additional funding and in-kind support of senior programs and special events by December, 2011.
5. Solicit and secure sponsorships for two “Tea at Three Concerts” and two “Twilight Dinners” by June, 2012.
6. Collaborate with the Orange County Transportation Authority (OCTA), County Office on Aging and contracted providers to offer two senior transportation information workshops by September, 2012 and March, 2013.



CITY OF MISSION VIEJO
2011-13 Program Summary



Program Area:	Recreation, Community and Library Services
Department:	Recreation and Community Services
Program:	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.

Accomplishments, 2009-11:

- Provided holiday activities which provided easier game access, smaller crowds and open space to special needs and very young children at Bunny Days-Toddler Town and Hometown Halloween.
- Kid’s Factory program provided activities to children displaced due to school closures.
- Promoted the monthly Community of Character trait by incorporating the word of the month into a craft or activity at Kid’s Factory.
- Organized a canned food drive in which Kid’s Factory participants brought in non-perishable food items that were donated to Saddleback Outreach.
- For the Healthy Kids component, working with the non-profit “Fighting for Fitness,” craft projects were coordinated during an “Olympic Week” where children did activities focusing on the need to stay active and follow proper nutrition.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 % City fields utilized by sports leagues	99%	99%	99%	99%
2 Sports field rental revenue	\$70,000	\$70,000	\$70,000	\$70,000
3 # youth participants on City sports fields	9,135	9,000	9,000	9,000
4 Kids’ Factory After School total attendance	120,552	115,000	122,000	124,000
5 Kids’ Factory summer total attendance	10,358	13,000	13,500	15,000
6 Youth special events attendance	13,840	12,000	14,000	15,000
7 Youth program total attendance / net contract cost per participant	144,750/\$4.76	140,000/\$5.00	149,500/\$5.50	154,000/\$6.00

Performance Measure Notes:



CITY OF MISSION VIEJO
2011-13 Program Summary



Recreation Expenditures

	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	% Change	FY 2012/13	% Change
	Actual	Actual	Adopted	Adopted	from Prior	Adopted	from Prior
					Year		Year
Recreation							
Personnel Services	141,892	126,247	120,245	120,345	0.1%	120,674	0.3%
Services & Supplies	686,259	688,004	690,000	712,000	3.2%	712,000	0.0%
Total Recreation	828,151	814,251	810,245	832,345	2.7%	832,674	0.0%

Objectives, 2011-13:

1. Formalize a policy regarding community booths at City special events by October, 2011.
2. Analyze Kid's Factory and Goal Zone registration fees and make adjustments accordingly by June, 2012.
3. Increase attendance by twenty-five percent at the Kid's Factory sites with the lowest participation rates by June, 2013.



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Program Area:	Recreation, Community and Library Services
Department:	Recreation and Community Services
Program:	Recreation and Tennis Centers

Program Description:

The City currently operates two recreation and fitness centers: Montanoso and Sierra. The Montanoso Recreation and Fitness Center provides diversified programs such as fitness training, aerobics, babysitting, recreational and lap swimming, martial arts, tennis and basketball. The Sierra Recreation and Fitness Center provides fitness training, public tennis courts, aqua aerobics, recreation and lap swimming and basketball.

The City also owns and operates two tennis centers: Marguerite and Felipe. Their combined total of thirteen tennis courts, in addition to the four courts at Montanoso and Sierra, provide year-round tennis opportunities and programs to meet the varying needs of the community.

Accomplishments, 2009-11:

- Developed a Red Cross lifeguard certification program for the public utilizing City staff who are certified as lifeguard instructors.
- Entered into a partnership with Mission Hospital to develop strategies to address childhood obesity.
- Entered into a partnership with the non-profit "Fighting for Fitness" to offer a free children's exercise class at the Montanoso Recreation and Fitness Center.
- Worked with Administrative Services to implement a fee increase for the Recreation and Fitness Centers was in order to improve cost recovery efforts based on the amenities offered at the Centers.

Performance Measures:

Measure	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Projected	FY 2012/13 Projected
1 Montanoso Recreation Center attendance	165,000	165,000	170,000	170,000
2 Combined tennis centers attendance	32,000	32,000	30,000*	42,000
3 Average # of monthly Montanoso/Sierra members	6,300	6,200	6,300	6,300
4 Average # monthly tennis center members	297	350	325*	400
5 % Montanoso and tennis center members who are Mission Viejo residents	87%	87%	87%	87%
6 Sierra Recreation Center Attendance	82,000	78,000	83,000	83,000

Performance Measure Notes:

**The decreased attendance figures are based on the impact the Marguerite Tennis Center capital improvement project will have on availability of this center during FY 2011/12.*



**CITY OF MISSION VIEJO
2011-13 Program Summary**



Recreation and Tennis Centers Expenditures

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	% Change from Prior Year	FY 2012/13 Adopted	% Change from Prior Year
Montanoso Recreation Center							
Personnel Services	627,904	621,305	591,011	569,572	-3.6%	615,504	8.1%
Services & Supplies	269,326	260,874	247,450	253,100	2.3%	251,500	-0.6%
Capital Outlay	12,670	29,889	-	-	-	-	-
Total Montanoso Recreation Center	909,900	912,068	838,461	822,672	-1.9%	867,004	5.4%
Sierra Recreation Center							
Personnel Services	508,246	484,306	481,121	432,609	-10.1%	433,645	0.2%
Services & Supplies	107,338	102,325	105,550	102,200	-3.2%	102,200	0.0%
Capital Outlay	13,942	7,877	-	-	-	-	-
Total Sierra Recreation Center	629,526	594,508	586,671	534,809	-8.8%	535,846	0.2%
Marguerite Tennis Center							
Personnel Services	179,533	190,523	184,878	186,045	0.6%	186,440	0.2%
Services & Supplies	60,896	92,752	111,160	107,790	-3.0%	107,790	0.0%
Capital Outlay	2,477	-	-	-	-	-	-
Total Marguerite Tennis Center	242,906	283,275	296,038	293,835	-0.7%	294,230	0.1%
Felipe Tennis Center							
Personnel Services	143,093	150,050	154,158	151,300	-1.9%	151,666	0.2%
Services & Supplies	178,019	99,249	108,850	20,850	-80.8%	90,850	335.7%
Total Felipe Tennis Center	321,112	249,299	263,008	172,150	-34.5%	242,516	40.9%
Total Recreation and Tennis Centers	2,103,444	2,039,150	1,984,178	1,803,466	-9.1%	1,919,596	6.4%

Objectives, 2011-13:

1. Develop marketing plan for re-opening of the renovated Marguerite Tennis Center by December, 2011.
2. Evaluate the feasibility of increasing Tennis and Recreation Center membership fees by September, 2012.
3. Evaluate the feasibility of modifying tennis instructors' contracts to reduce City administrative expenses by June, 2012.
4. Increase "Silver and Fit" senior wellness enrollment by 200% (80 participants) at the recreation centers by June, 2013.

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CITY OF MISSION VIEJO
2011-13 Capital Improvement Program
Impacts on the Operating Budget



The \$15.2 million 2011-13 Capital Improvement Project (CIP) budget includes a combined total of nine projects. The projects range in size from the \$6.4 million citywide residential resurfacing project to the \$11,900 Crown Valley Parkway traffic signal synchronization project that provides matching funds for a larger regional project administered and funded by the Orange County Transportation Authority (OCTA).

The capital projects that make up the 2011-13 budget are described individually on the following pages. The impacts, if any, that each project will have on the operating budget are described in Section V of each project page.

New Revenue and or Cost Impacts

None of the CIP projects in the 2011-13 budget will require increases to fees nor will they generate additional revenue. Most of the projects will not have a significant cost impact, either positive or negative, on the City's operating budget.

Other Impacts

While the CIP projects in the 2011-13 will not have a significant cost impact on the operating budget, there will be some positive non-financial, quality of life benefits such as enhancing traffic and pedestrian safety. While not easily quantifiable, several of the road and sidewalk projects will reduce ongoing maintenance or liability costs.

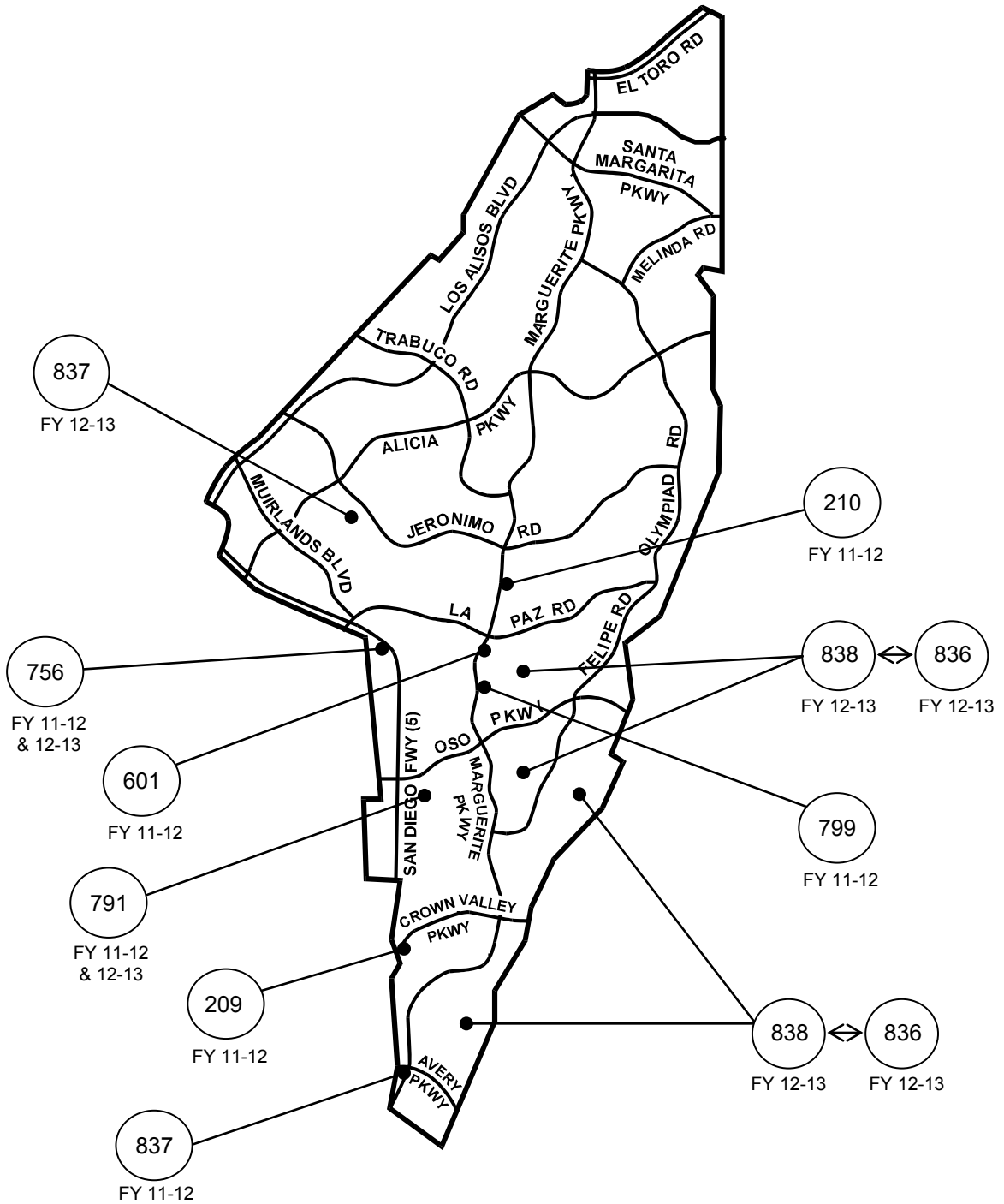
For example, the Marguerite Parkway median rehabilitation project will replace existing landscaping with more water-efficient irrigation systems and plants which require less care and water, thereby reducing overall, long-term maintenance costs.

The arterial highway and residential resurfacing projects will rehabilitate major sections of Mission Viejo roadways. These projects will reduce annual maintenance costs by an estimated 30% over the life of the pavement. Capital projects, such as the sidewalk repair program, may also lead to net lower costs in the future as a result of reducing hazardous physical conditions and thus, potentially fewer liability claims.

The Oso Parkway widening (1-5 to Country Club Drive) and the La Paz Bridge and Road widening projects will have positive impacts by increasing the number of road lanes available. By increasing roadway capacity, these projects will alleviate traffic congestion and improve traffic flow and air quality by reducing vehicular emissions. Similarly, the Crown Valley Parkway and Marguerite Parkway traffic signal synchronization projects will reduce travel times. These improvements will also lead to safer commutes and overall improved quality of life for travelers.



CITY OF MISSION VIEJO
2011-13 Capital Improvement Program
Project Map



208 Various Locations



2011-13 Budget
Adopted Capital Improvement Program and Funding Summary



FY 2011/12

CIP #	CIP Description	Library Services, Fund 201	Gas Tax Exchange, Fund 207	Gas Tax, Fund 211	AQMD, Fund 219	Measure M, Fund 220	Federal TEA Grant, Fund 248	Measure M2, Fund 267	Measure M2 ACE, Fund 272	Safe Routes to Schools, Fund 273	State Traffic Cong. Relief, Fund 255	TOTALS
208	Safe Routes to Schools	-	-	-	-	-	-	-	-	492,000	-	492,000
209	Signal Synchronization	-	-	-	11,900	-	-	-	-	-	-	11,900
210	Signal Synchronization	-	-	-	58,300	-	-	-	-	-	-	58,300
601	Library Community Room	67,000	-	-	-	-	-	-	-	-	-	67,000
756	La Paz Bridge and Road Widening	-	-	-	-	-	-	-	193,500	-	-	193,500
791	Oso Parkway Widening	-	-	-	-	-	-	-	1,452,000	-	-	1,452,000
799	Median Rehabilitation	-	-	-	-	-	417,560	-	-	-	-	417,560
837	Arterial Highway Resurfacing	-	30,000	35,500	-	24,000	-	50,000	-	-	-	139,500
838	Residential Slurry Seal	-	-	2,368,000	-	-	-	1,203,000	-	-	167,000	3,738,000
TOTALS		67,000	30,000	2,403,500	70,200	24,000	417,560	1,253,000	1,645,500	492,000	167,000	6,569,760

FY 2012/13

CIP #	CIP Description	Library Services, Fund 201	Gas Tax Exchange, Fund 207	Gas Tax, Fund 211	AQMD, Fund 219	Measure M, Fund 220	Federal TEA Grant, Fund 248	Measure M2, Fund 267	Measure M2 ACE, Fund 272	Safe Routes to Schools, Fund 273	State Traffic Cong. Relief, Fund 255	TOTALS
756	La Paz Bridge and Road Widening	-	-	-	-	-	-	-	2,551,000	-	-	2,551,000
791	Oso Parkway Widening	-	-	-	-	-	-	-	2,408,000	-	-	2,408,000
837	Arterial Highway Resurfacing	-	-	1,000,000	-	-	-	-	-	-	-	1,000,000
838	Residential Slurry Seal	-	-	1,428,000	-	-	-	1,262,250	-	-	-	2,690,250
TOTAL, ALL CIP REQUESTS		-	-	2,428,000	-	-	-	1,262,250	4,959,000	-	-	8,649,250

Combined, 2011-13

CIP #	CIP Description	Library Services, Fund 201	Gas Tax Exchange, Fund 207	Gas Tax, Fund 211	AQMD, Fund 219	Measure M, Fund 220	Federal TEA Grant, Fund 248	Measure M2, Fund 267	Measure M2 ACE, Fund 272	Safe Routes to Schools, Fund 273	State Traffic Cong. Relief, Fund 255	TOTALS
208	Safe Routes to Schools	-	-	-	-	-	-	-	-	492,000	-	492,000
209	Signal Synchronization	-	-	-	11,900	-	-	-	-	-	-	11,900
210	Signal Synchronization	-	-	-	58,300	-	-	-	-	-	-	58,300
601	Library Community Room	67,000	-	-	-	-	-	-	-	-	-	67,000
756	La Paz Bridge and Road Widening	-	-	-	-	-	-	-	2,744,500	-	-	2,744,500
791	Oso Parkway Widening	-	-	-	-	-	-	-	3,860,000	-	-	3,860,000
799	Median Rehabilitation	-	-	-	-	-	417,560	-	-	-	-	417,560
837	Arterial Highway Resurfacing	-	30,000	1,035,500	-	24,000	-	50,000	-	-	-	1,139,500
838	Residential Slurry Seal	-	-	3,796,000	-	-	-	2,465,250	-	-	167,000	6,428,250
TOTALS		67,000	30,000	4,831,500	70,200	24,000	417,560	2,515,250	6,604,500	492,000	167,000	15,219,010



**CITY OF MISSION VIEJO
2011-13 Capital Improvement Program**



PROJECT NUMBER/NAME: CIP 208 Safe Route to School

I. PROJECT DESCRIPTION (If a new project, provide estimated start date):

This project is being funded by the Federal Safe Routes to School Grant, and will provide a Pedestrian Safety and Circulation Plan for all seventeen public K-8 schools in the City. The project is projected to begin in July, 2011, and will include an evaluation of each school's pedestrian and circulation needs. The project will result in a set of guidelines tailored to each school including detailed operational and physical improvements intended to promote walking, bicycling, and safety.

II. PURPOSE (Include service area corrections or benefits; health and safety impacts)

The purpose of this project is to provide safe routes to school and encourage students to walk and bike to school which will ease traffic congestion.

III. DETAILED BUDGET ESTIMATES BY FUND

Fund	Planning/Design	Land	Construction	Equipment	TOTAL
Safe Routes to School Grant (273)	\$492,000				\$492,000
TOTAL FY 2011/12	\$492,000				\$492,000
TOTAL FY 2012/13					

IV. ESTIMATED OUTYEAR FINANCING BY FUND (If applicable)

Fund	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	TOTAL
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V. ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET (Revenues or Expenditures)

This project is expected to have no impact on the operating budget.

VI. COMPLIANCE WITH THE GENERAL PLAN

Complies with the General Plan Circulation Element Goal 16 and 17.



CITY OF MISSION VIEJO
2011-13 Capital Improvement Program



PROJECT NUMBER/NAME: CIP 209 Crown Valley Parkway Traffic Signal Synchronization

I. PROJECT DESCRIPTION (If a new project, provide estimated start date):

The Crown Valley Parkway Corridor Regional Traffic Signal Synchronization Project is a multi-agency project that was approved for Renewed Measure M Project P grant funding by the OCTA Board of Directors on June 13, 2011. The project will synchronize 30 traffic signals on the entirety of Crown Valley Parkway, from Antonio Parkway in the County of Orange westerly to Pacific Coast Highway in Dana Point. The five agencies include the County of Orange (4 signals), Mission Viejo (7 signals), Caltrans (2 signals), Laguna Niguel (15 signals) and Dana Point (2 signals). The project start date is July 1, 2011 and is a three-year project ending on July 1, 2014.

The total project cost is \$459,000 inclusive of a 20% local match. The Renewed Measure M OCTA award is \$367,200, with a local match requirement of \$91,800 that can be satisfied with in-kind services (staff time) in addition to a dollar match. Local agencies will perform planning, administration and any field signal timing implementation as necessary through in-house traffic signal technician hours or current traffic signal maintenance contracts. The participating agencies have elected to have the Crown Valley Parkway Corridor project be administered by OCTA, and the \$367,200 in Renewed Measure M grant funding will be retained by OCTA for project implementation.

The City of Mission Viejo's 20% match of \$11,900 will be satisfied wholly through in-kind services.

II. PURPOSE (Include service area corrections or benefits; health and safety impacts)

This capital improvement project reduces vehicular idling and vehicular air emissions along the Crown Valley Parkway Corridor by synchronizing 30 traffic signals located in four jurisdictions, including two Caltrans signals.

III. DETAILED BUDGET ESTIMATES BY FUND

Fund	Planning/Design	Land	Construction	Equipment	TOTAL
AQMD (219)	\$11,900				\$11,900
TOTAL FY 2011/12	\$11,900				\$11,900

TOTAL FY 2012/13

IV. ESTIMATED OUTYEAR FINANCING BY FUND (If applicable)

Fund	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	TOTAL
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V. ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET (Revenues or Expenditures)

This project is expected to have an insignificant impact on the operating budget.

VI. COMPLIANCE WITH THE GENERAL PLAN

Complies with General Plan Circulation Element Policies 6.1, 6.2, 7.6, 10.1, 11.1, and 11.2.



**CITY OF MISSION VIEJO
2011-13 Capital Improvement Program**



PROJECT NUMBER/NAME: CIP 210 Marguerite Parkway Traffic Signal Synchronization

I. PROJECT DESCRIPTION (If a new project, provide estimated start date):

The Marguerite Parkway Corridor Regional Traffic Signal Synchronization Project is a multi-agency project that was approved for Renewed Measure M Project P grant funding by the OCTA Board of Directors on June 13, 2011. The project will synchronize 31 traffic signals on Marguerite Parkway, from El Toro Road in the City of Mission Viejo/City of Lake Forest to Via Escolar in the City of San Juan Capistrano. The three cities include Mission Viejo (30 signals), San Juan Capistrano (1 signal) and Lake Forest (shared signal with the City of Mission Viejo: Marguerite at El Toro). The project start date is July 1, 2011 and is a three-year project ending on July 1, 2014. The Mission Viejo component of the project will also include Emergency Vehicle Preemption (EVP) devices that will be installed on 12 of the signals.

The total project cost is \$403,820 inclusive of a 20% local match. The Renewed Measure M OCTA award is \$323,056, with a local match requirement of \$80,764 that can be satisfied with in-kind services (staff time) in addition to a dollar match. Local agencies will perform planning, administration and any field signal timing implementation as necessary through in-house traffic signal technician hours or current traffic signal maintenance contracts. The participating agencies have elected to have the Marguerite Parkway Corridor project be administered by OCTA, and the \$323,056 in Renewed Measure M grant funding will be retained by OCTA for project implementation. The local match requirement will be fulfilled by the City of Mission Viejo and the City of San Juan Capistrano. The City of Lake Forest will not have any local match requirement, since the traffic signal at Marguerite Parkway@ El Toro Road is 100% maintained by the City of Mission Viejo.

The City of Mission Viejo's 20% match of \$78,864 will be satisfied through in-kind services and matching dollars.

II. PURPOSE (Include service area corrections or benefits; health and safety impacts)

This capital improvement project reduces idling and air emissions along the Marguerite Parkway Corridor by synchronizing 31 traffic signals in the City of Mission Viejo and the City of San Juan Capistrano.

III. DETAILED BUDGET ESTIMATES BY FUND

Fund	Planning/Design	Land	Construction	Equipment	TOTAL
AQMD (219)	\$58,300				\$58,300
TOTAL FY 2011/12	\$58,300				\$58,300

TOTAL FY 2012/13

IV. ESTIMATED OUTYEAR FINANCING BY FUND (If applicable)

Fund	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	TOTAL
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V. ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET (Revenues or Expenditures)

This project is expected to have an insignificant impact of the operating budget.

VI. COMPLIANCE WITH THE GENERAL PLAN

Complies with General Plan Circulation Element Policies 6.1, 6.2, 7.6, 10.1, 11.1, and 11.2.



CITY OF MISSION VIEJO
2011-13 Capital Improvement Program



PROJECT NUMBER/NAME: CIP 756 La Paz Road and Bridge Widening

I. PROJECT DESCRIPTION (If a new project, provide estimated start date):

The proposed project consists of the widening of the La Paz Road bridge over the Southern California Railroad Authority railroad tracks from four lanes to six lanes. This project is currently in the right-of-way acquisition/final engineering phase and construction is scheduled for early 2012.

II. PURPOSE (Include service area corrections or benefits; health and safety impacts)

La Paz Road is currently a four-lane divided road over the bridge structure. Capacity studies confirmed that this structure is inadequate for the current traffic volume. The lane constraints also affect the adjacent intersection at La Paz and Muirlands Boulevard.

III. DETAILED BUDGET ESTIMATES BY FUND

Fund	Planning/Design	Land	Construction	Equipment	TOTAL
Arterial Capacity Enhancement - ACE (272)		\$193,500			\$193,500
TOTAL FY 2011/12		\$193,500			\$193,500
Arterial Capacity Enhancement - ACE (272)			\$2,551,000		\$2,551,000
TOTAL FY 2012/13			\$2,551,000		\$2,551,000

IV. ESTIMATED OUTYEAR FINANCING BY FUND (If applicable)

Fund	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	TOTAL
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V. ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET (Revenues or Expenditures)

This project is expected to have an insignificant impact on the operating budget.

VI. COMPLIANCE WITH THE GENERAL PLAN

Complies with General Plan Circulation Element 1.14 to 1.18.



CITY OF MISSION VIEJO
2011-13 Capital Improvement Program



PROJECT NUMBER/NAME: CIP 791 Oso Parkway Widening (I-5 to Country Club Drive)

I. PROJECT DESCRIPTION (If a new project, provide estimated start date):

This project will widen Oso Parkway from six lanes to eight lanes between Interstate 5 and Country Club Drive. This project will join the recently widened portion of Oso Parkway between Country Club Drive and Alpera that was constructed as part of the Oso/Marguerite intersection widening project (CIP 844). Preliminary engineering for this project started in 2007, and final design started in 2008. In FY 2009/10, right of way acquisition commenced. In FY 2011/12 the City anticipates receiving grant funding in the amount of \$1,451,650 from OCTA Measure M2 funds for the purchase of the required right of way, and \$2,407,937 in FY 2012/13 for construction.

II. PURPOSE (Include service area corrections or benefits; health and safety impacts)

This project will increase the capacity of Oso Parkway and alleviate traffic congestion.

III. DETAILED BUDGET ESTIMATES BY FUND

Fund	Planning/Design	Land	Construction	Equipment	TOTAL
Arterial Capacity Enhancement - ACE (272)		\$1,452,000			\$1,452,000
TOTAL FY 2011/12		\$1,452,000			\$1,452,000
Arterial Capacity Enhancement - ACE (272)			\$2,408,000		\$2,408,000
TOTAL FY 2012/13			\$2,408,000		\$2,408,000

IV. ESTIMATED OUTYEAR FINANCING BY FUND (If applicable)

Fund	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	TOTAL
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V. ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET (Revenues or Expenditures)

This project is expected to have an insignificant impact of the operating budget.

VI. COMPLIANCE WITH THE GENERAL PLAN

This project complies with the General Plan Circulation Element 8.1, 8.3, and 8.4.



**CITY OF MISSION VIEJO
2011-13 Capital Improvement Program**



PROJECT NUMBER/NAME: CIP 799 Marguerite Parkway Median Island Civic Core Enhancement

I. PROJECT DESCRIPTION (If a new project, provide estimated start date):

This is a landscape renovation project that provides for the enhancement of median islands along Marguerite Parkway from Estanciero to Via Florecer. Landscape enhancements include turf removal, installation of new landscaping and a drip irrigation system and related hardscape elements to match the improvements at the Oso and the Marguerite Parkway intersection. The project is being substantially funded with grant dollars from the OCTA Transportation Enhancement Act through the federal jobs for SAFETEA program.

II. PURPOSE (Include service area corrections or benefits; health and safety impacts)

This median enhancement project will beautify the City, reduce water runoff and improve irrigation efficiency, which will also extend the quality and life of the pavement.

III. DETAILED BUDGET ESTIMATES BY FUND

Fund	Planning/Design	Land	Construction	Equipment	TOTAL
Federal TEA (248)			\$417,560		\$417,560
City CIP 799	\$110,000		\$52,500		\$162,500
TOTAL FY 2011/12	\$110,000		\$470,060		\$580,060

TOTAL FY 2012/13

IV. ESTIMATED OUTYEAR FINANCING BY FUND (If applicable)

Fund	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	TOTAL
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V. ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET (Revenues or Expenditures)

There is no additional cost or impact anticipated to the City Operating Budget

VI. COMPLIANCE WITH THE GENERAL PLAN

Conservation/Open Space Element Goal 1, Policy 1.1.



**CITY OF MISSION VIEJO
2011-13 Capital Improvement Program**



PROJECT NUMBER/NAME: CIP 837 Arterial Highway Resurfacing Program

I. PROJECT DESCRIPTION (If a new project, provide estimated start date):

The Arterial Highway Resurfacing Program is an ongoing project based on the City's seven-year resurfacing plan. This program provides funding for city roadways that are generally outside residential areas and that function as the City's main arterials. The FY 2011/12 program will address Avery Parkway from Marguerite Parkway to Camino Capistrano Road. The FY 2012/13 program will address Jeronimo Road from Alicia Parkway to Marguerite Parkway.

II. PURPOSE (Include service area corrections or benefits; health and safety impacts)

General roadway rehabilitation maintains the service life on the roads, thereby reducing rehabilitation costs in the future.

III. DETAILED BUDGET ESTIMATES BY FUND

Fund	Planning/Design	Land	Construction	Equipment	TOTAL
Gas Tax (211)			\$35,500		\$35,500
Measure M (220)			\$24,000		\$24,000
Measure M2 (267)			\$50,000		\$50,000
Gas Tax Exchange (207)			\$30,000		\$30,000
TOTAL FY 2011/12			\$139,500		\$139,500
Gas Tax (211)	\$50,000		\$950,000		\$1,000,000
TOTAL FY 2012/13	\$50,000		\$950,000		\$1,000,000

IV. ESTIMATED OUTYEAR FINANCING BY FUND (If applicable)

Fund	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	TOTAL
Gas Tax (211)	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$5,000,000

V. ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET (Revenues or Expenditures)

This project will provide preventative maintenance and/or rehabilitation, which will reduce the annual maintenance costs over the life of the pavement by an estimated average of 30% (Source – American Public Works Association).

VI. COMPLIANCE WITH THE GENERAL PLAN

Complies with the General Plan Circulation Element Policy 1.2 and 1.3.



CITY OF MISSION VIEJO
2011-13 Capital Improvement Program



PROJECT NUMBER/NAME: CIP 838 Residential Slurry Seal

I. PROJECT DESCRIPTION (If a new project, provide estimated start date):

This program operates in seven-year cycles that are intended to increase the life of the City's residential streets and to reduce major roadway rehabilitation costs in the future. Each year, a certain portion of the City's total residential resurfacing program is budgeted as a capital project. The FY 2011/12 program will focus on the residential area east of Marguerite Parkway between La Paz Road and Los Alisos Boulevard. The FY 2012/13 program will include the residential streets bound by Marguerite Parkway, La Paz Road, and Felipe Road.

II. PURPOSE (Include service area corrections or benefits; health and safety impacts)

This program maintains the City's roadways, thereby lowering rehabilitation and replacement costs in the future.

III. DETAILED BUDGET ESTIMATES BY FUND

Fund	Planning/Design	Land	Construction	Equipment	TOTAL
Measure M2 (267)			\$1,203,000		\$1,203,000
Gas Tax (211)			\$2,368,000		\$2,368,000
Traffic Congestion Relief (Prop 42) (255)			\$167,000		\$167,000
TOTAL FY 2011/12			\$3,738,000		\$3,738,000
Measure M2 (267)			\$1,262,250		\$1,262,250
Gas Tax (211)			\$1,428,000		\$1,428,000
TOTAL FY 2012/13			\$2,690,250		\$2,690,250

IV. ESTIMATED OUTYEAR FINANCING BY FUND (If applicable)

Fund	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	TOTAL
Gas Tax (211)	\$2,500,000	\$4,000,000	\$3,500,000	\$3,500,000	\$2,000,000	\$15,500,000

V. ESTIMATED ANNUAL COST IMPACT OF PROJECT ON CITY OPERATING BUDGET (Revenues or Expenditures)

This project will provide preventative maintenance and/or rehabilitation, which will help reduce the annual maintenance costs of the life of the pavement by 30% (Source – American Public Works Association). Recurring resurfacing also reduces risk management costs.

VI. COMPLIANCE WITH THE GENERAL PLAN

Complies with General Plan Circulation Element 1.2 and 1.3.



CITY OF MISSION VIEJO *2011-13 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. However, in recent years, the MFP has been updated much more frequently as management has responded to the changing economy and its effects on the City's budget.

Needless to say, 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 detailed analysis of how past and current spending decisions will affect future operating costs.

In January, 2011, in preparation for beginning budget development and planning, the Budget and Research division updated the master financial plan, focusing on General Fund revenue and expenditures for 2011-13, but also providing an additional five years of projections, out to FY 2017/18. In addition, in an effort to ensure a budget that balanced ongoing revenues with ongoing expenditures, the MFP was updated to reflect these amounts in the 2011-13 budget cycle.

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.

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.

In addition, the latest January, 2011 update of the master financial plan placed a greater focus on identifying and quantifying "one-time" revenues and expenditures versus those deemed "ongoing." This updated analysis allows for a more accurate projection of future revenue and expenditures by isolating one-time peaks or valleys on both sides of the balance sheet. By removing "one-time" revenue receipts and unexpected expenditures, a more accurate baseline appears and future projections gain greater accuracy.



CITY OF MISSION VIEJO 2011-13 Master Financial Plan



What the 2011-2018 Revenue Forecast Tells Us

The 2011-18 revenue forecast included in this master financial plan update indicates that the effects of the worst recession in seventy years are still being felt. While certain General Fund revenue streams such as sales and use tax are forecasted to grow at pre-recession levels, other sources of revenue such as property tax continue to reflect the impact of the recession. Overall, the 2011-2018 revenue forecast is positive when compared to prior historical periods. For example, total General Fund revenue is projected to grow an average of 3.4% over the seven-year forecasting period (FY 2011/12 through FY 2017/18). This compares favorably to the -0.2% average rate of change for the prior five year period.

The current revenue forecast projects modest growth in revenues of 2.5% for the next three years (fiscal years 2011/12, 2012/13 and 2013/14), followed by a more robust climb in revenues thereafter (4.1%). The forecast shows revenue will not return to pre-recession levels (i.e., FY 2006/07) until FY 2014/15 at the earliest when General Fund revenue is projected to total \$51.64 million.

What the 2011-2018 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 over two years ago (June, 2009), the City is maintaining a conservative approach to future expenditure planning. Given recent tremors in the world markets, this is a prudent approach as the potential for another recession looms.

The first two years of the plan (the current 2011-13 adopted budget) presents a balanced budget that does not dip into reserves. This was accomplished through continued reductions in staffing and 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. In fact, the 50% target level is surpassed in the final three years of the plan as revenue begins to grow at a faster rate than expenditures.

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 2011-13 budget period, staffing levels have been reduced by approximately eight full-time equivalent (FTE) positions. A minimum amount of funding from the General Fund has been made available for asset replacement beginning in FY 2011/12 (e.g., computer, vehicle and fitness equipment replacement). This was accomplished by utilizing the surplus from FY 2010/11 generated by a better than anticipated growth in revenue coupled with departments' aggressive cost reductions.

The City's reserve level going forward of 50% of annual General Fund revenues will give us a substantial cushion for absorbing unforeseen events as the economy continues its slow recovery. The City's reserves can also shield the City if the recovery stalls or another recession occurs. In addition, given the continued problems the State has been experiencing with its own budget, these reserves could be necessary should the State attempt to fix its financial problems at the expense of local municipalities.



CITY OF MISSION VIEJO
2011-13 Master Financial Plan



GENERAL FUND REVENUE FORECAST AND EXPENDITURE PLAN – 2011-2018

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 2011-2018 MFP update, and its use in developing the 2011-13 budget, the December, 2010 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 Budget and Research staff, and an abbreviated mid-year update from Chapman University in June, 2011, were utilized for the current comprehensive master financial plan update.

The theme of Chapman University's December, 2010 forecast could be summed up in three words: **jobs, jobs, jobs**. The weak national recovery – the weakest when compared to the three worst post-World War II recessions – is in large part due to the lack of job creation.

We are now nine quarters since the National Bureau of Economic Research (NBER) called the end of the recession (June, 2009) and job growth remains **negative**. This is compared with an average job growth of +3.6% in the same six quarter period after the 1971, 1975 and 1983 recessions. The Chapman University forecast blames the current tepid job growth on the construction industry. Unlike previous recessions, there has been no recovery in the construction industry. In turn, this is blamed on continued weakness in *residential* construction; which in turn can trace its weakness to falling housing prices and the lingering effects of the credit crisis of 2008-2009.

Looking locally, the same trends hold as on the national scale: job creation is weak due to the dependence on the construction and mortgage/finance sectors at the State and Orange County levels. In fact, Orange County suffered more payroll job losses than the State due to the local over-representation of the financial activities and professional and business service sectors. With the collapse of the housing and refinancing markets, these two sectors saw massive job losses locally.

The June, 2011 Chapman University forecast shows total payroll employment in the County increasing modestly by 1.5% in 2011 (down from 1.6% from the December, 2010 forecast) and 2.2% in 2012. With the forecasted increase in employment and personal income, total taxable sales are forecasted to increase by 6.6% in Orange County in 2011 (this is up from a 4.7% forecast from December, 2010) and 6.4% in 2012...

Bottom line, until employment rebounds, the recovery will be modest at best. On a national level, there needs to be at least 300,000 jobs added monthly in order for the unemployment rate to decline. The June, 2011 Chapman Forecast, predicts that the national unemployment rate would be 8.7% by the end of 2011 (up 0.1% from the December, 2010 forecast) and 7.8% by the end of 2012.

However, unemployment nationally remains above 9.0%, and it is unclear whether President Obama's latest job creation plan – if it is even passed – would have enough of an effect to bring employment below 9.0% in the next few months. With no net increase in jobs seen in August, 2011, and a murky at



**CITY OF MISSION VIEJO
2011-13 Master Financial Plan**



best forecast of future job growth, it seems safe to say that unemployment, at all levels of the economy, will continue to act as a drag on any recovery.

Measurement Period	Annual CPI-U Rate United States	Annual CPI-U Rate LA-Riverside-OC	Annual CPI-U Rate California
Average 1999-2011	2.5%	2.7%	2.8%
Average 1988-2011	2.9%		3.0%
Average 2006-2011	2.5%	2.2%	2.5%
2012 Chapman Univ Forecast	2.9%	2.8%	2.9%

The one bright spot of most recent economic forecasts is that near-term inflation is forecasted to remain at historically low levels. The June, 2011 Chapman University forecast projects Orange County inflation to be 2.9% in 2012, this compares with a historical average (1999-2011) of 2.7% for the Los Angeles-Orange County-Riverside area (see table). The expenditure projections of the MFP will reflect this low-level inflation projection.

Mission Viejo and other South Orange County cities are likely to fare better than many other cities and areas of the State and nation during the current economic period. 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 modicum of optimism looking forward.

Methodology/Assumptions

The master financial plan projects revenues, expenditures and fund balances in the General Fund, which finances the bulk of the City’s major operations, and in the City’s two asset replacement funds. The period of the revenue forecast and expenditure plan includes the two years of the 2011-13 adopted budget, and then five additional years through FY 2017/18. 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 one bright spot of 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 2013-2016 averages 2.2%. This compares favorably when looking at historical data (see table above). Historical Bureau of Labor Statistics “Los Angeles-Riverside-Orange County” consumer price index (CPI) data shows the average inflation rate was 2.2% from 2006-2011 and 2.7% from 1999-2011.

The City’s population, which was 93,582 as of January 1, 2011 per the State Department of Finance, is projected to remain essentially flat for the foreseeable future. The current city limits are essentially built-out, with only limited capability of increases in population. There are two residential housing projects being planned, one of them requiring an annexation of unincorporated Orange County land in the northern part of the City. However, these are relatively small developments and should not require a significant increase in services, nor will they add significantly to the City’s population.

Interest rates are also projected to stay low over the course of the next seven years. With the Federal Reserve committing to holding its key interest rate near zero for the next two years, it is safe to assume



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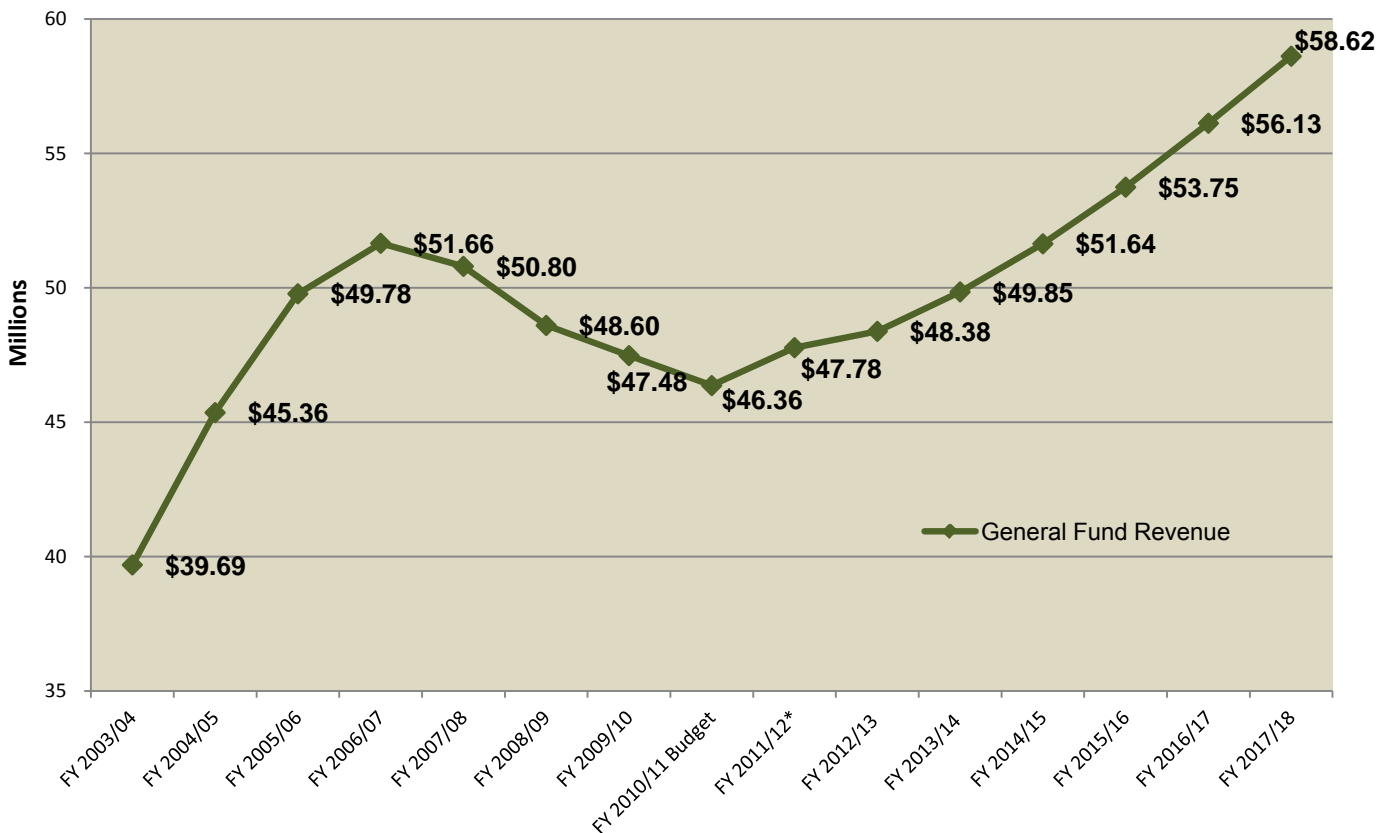
that interest rates will remain at historically low levels. While this is a good thing for consumers of credit, it unfortunately keeps a lid on the amount of interest revenue the City can earn in its investment portfolio. The June, 2011 Chapman University forecast anticipates the Federal Funds Rate (i.e., the “overnight” interest rate at which a bank lends immediately available funds to another bank) to slowly increase in 2012, but still remain below 2.0%.

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

2004-2011 Average Annual Growth Rate:	2.45%
2011-2018 Projected Average Annual Growth Rate:	3.41%

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 78.8% of all General Fund revenue in the 2011-13 adopted budget.



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. For FY 2007/08 and FY 2008/09, General Fund revenues decreased by 1.7% and 4.3% respectively,



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compared to the previous year (see the graph above). In fact, for the fiscal years of 2007/08 through 2009/10, General Fund revenue fell an average of 2.7% annually. The 2009-11 two-year budget saw General Fund revenues begin to recover. In fact, for FY 2010/11, General Fund revenue is 1.3% higher than the previous year (these results are based on preliminary, unaudited numbers).

As with the two-year budget, the General Fund revenue forecast forms the foundation of the Master Financial Plan. The 2011-13 adopted budget projects revenues to grow an average of 2.2%, when compared to the FY 2010/11 adopted budget. For the out years of the MFP forecast (FY 2013/14 to FY 2017/18), annual revenue growth is projected to be approximately 3.9%.

Should these projections hold, General Fund revenue will return to pre-recession levels by FY 2014/15 (see graph above). The seven-year forecast – which includes the 2011-13 adopted budget – presents a much more optimistic outlook than recent master financial plan forecasts. It should be noted that these projections are predicated on the assumption that the economy continues to recover and another recession in the near-term is avoided.

Within total General Fund revenues, the six 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, (5) recreation revenues and (6) interest earnings. These revenue streams will be discussed in greater detail in the following pages.

Property Tax Revenue

2004-2011 Average Annual Growth Rate:	9.82%
2011-2018 Projected Average Annual Growth Rate:	3.52%

Property tax revenue accounts for 49.7% 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.

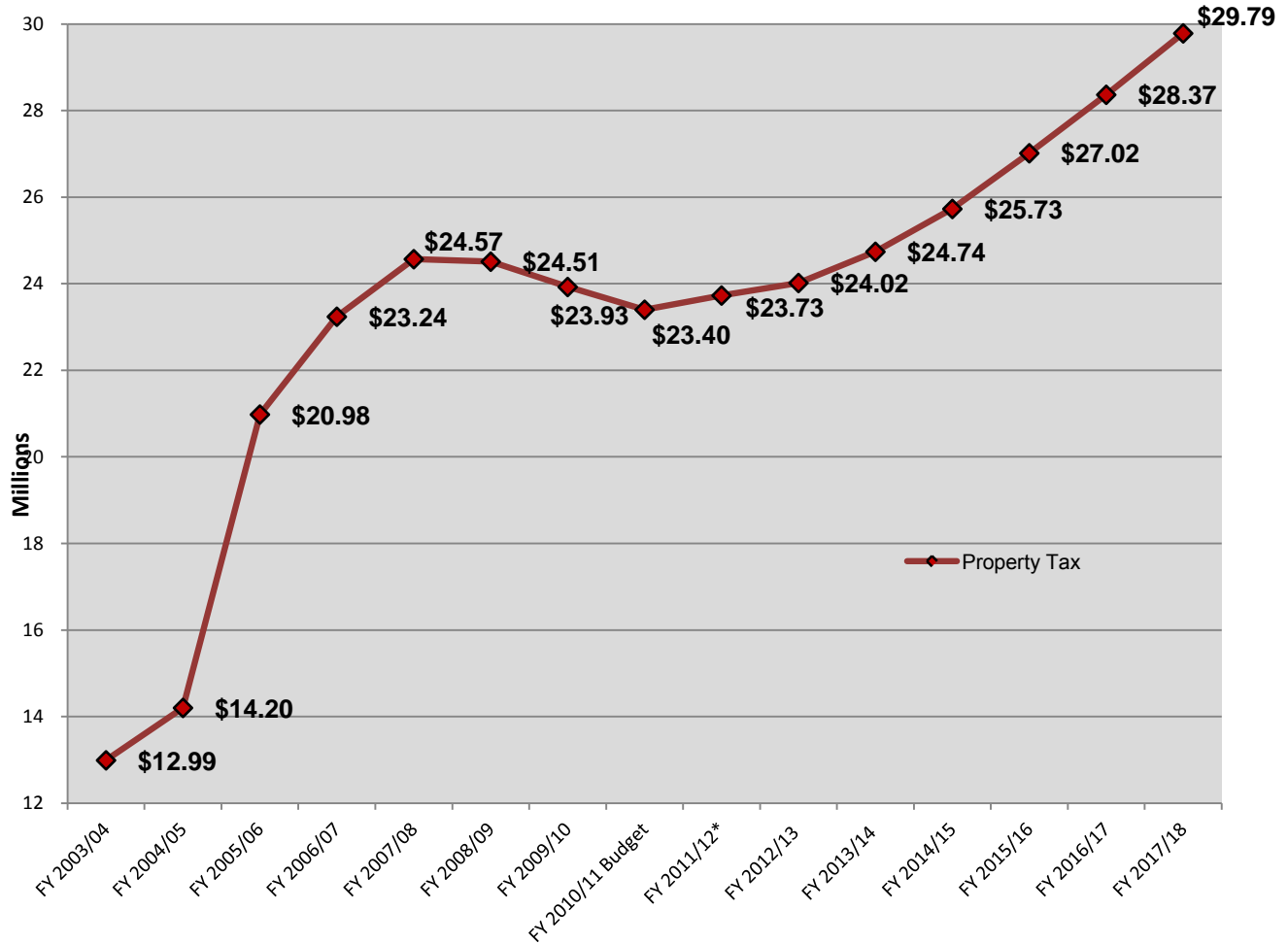
Assessed values in Orange County have stabilized after several years of decline. The City's total assessed value of property (secured and unsecured) is approximately \$13.23 billion (as recorded by the Orange County Auditor/Controller and updated for the 2011/12 fiscal year which began July 1, 2011).

This amount represents a slight increase of 0.52% over the prior fiscal year. The City's assessed value increased an average of 1.3% from FY 2006/07 to FY 2011/12. This average includes a **decline** in FY 2009/10 of 1.9%, the nadir of the local housing market. It is important to monitor not only property tax revenue, but assessed value, since any changes to assessed value directly impact the amount of revenue received by Mission Viejo.

As the graph below indicates, for FY 2011/12 General Fund property tax revenue is projected to be \$23.73 million, the following year, General Fund property tax is projected to be \$24.02 million. The amount of property tax revenue recorded in the General Fund represents 38.2% and 36.7% of **total** City revenues in FY 2011/12 and FY 2012/13, respectively.



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Property tax revenue is projected to increase 1.4% in FY 2011/12 over the adopted FY 2010/11 budget and 1.2% in FY 2012/13. While these changes are modest, they represent the first year-over-year increases in property tax revenue since FY 2007/08 (see graph). The worst recession in over seventy years dramatically impacted the national and local real estate markets. After a year-over-year 5.7% increase in property tax revenue in FY 2007/08, the City of Mission Viejo saw three successive years of property tax revenue declines.

As the economy improves, so should the real estate market. The 2011-18 MFP forecasts General Fund property tax revenue to increase an average of 3.5% annually. By FY 2013/14, property tax revenue should return to the levels of FY 2007/08, prior to the housing market downturn.

Sales Tax Revenue

2004-2011 Average Annual Growth Rate:	-0.74%
2011-2018 Projected Average Annual Growth Rate:	4.95%

Sales and use tax is the second largest revenue source for the City, behind property tax revenue. Sales tax represents 29.1% of total General Fund revenue for FY 2011/12 and 29.5% for FY 2012/13.



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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. It also includes the ¼-cent sales tax in-lieu payments that have resulted from the State’s “triple flip” program.

The past seven years (see graph below) show the obvious effects of the economic downturn. The average annual growth rate from 2004-2011 was a meager 1.0%. This figure includes three successive years of declines in sales tax revenue: a -4.6% change in FY 2007/08 (the recession officially began in December, 2007) a -14.0% change in FY 2008/09, and a -6.3% change in FY 2009/10. To say the recession affected Mission Viejo’s sales tax would be an understatement when looking at those fiscal years. The three years prior to FY 2007/08 averaged an annual rate of change of positive 5.0%.



For the 2011-13 budget period, the expectation is a return to pre-recession growth levels in sales and use tax, even though the total projected amount of revenue will only be at FY 2003/04 levels (see graph). The adopted 2011-13 budget projects an 8.8% increase in FY 2011/12 over the FY 2010/11 adopted budget, with a projected 2.8% increase in FY 2012/13 over FY 2011/12. These forecasts are based on the assumption that the local economy will continue to grow and consumers will start spending again, visiting our retail establishments, purchasing vehicles within the city limits, etc. (As referenced earlier, the Chapman University economic forecast update of June, 2011 projected taxable sales in Orange County to grow 6.6% in 2011 and 6.4% in 2012.) Annual sales tax revenue growth rates from FY 2013/14 going forward are expected to be in the range



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of 4-5% per year. By FY 2015/16, sales tax revenue is expected to surpass pre-recession levels of FY 2006/07 (see graph). Again, it is important to stress that this latest master financial plan update assumes the economy continues its recovery – albeit slow – and does not slip back into another recession. The next update of the MFP (winter, 2012) will address this issue and adjust projections as necessary based on the latest economic forecast data available.

Franchise Tax

2004-2011 Average Annual Growth Rate:	3.22%
2011-2018 Projected Average Annual Growth Rate:	0.19%

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 5.8% of the City’s General Fund revenues in the 2011-13 budget.

From FY 2003/04 to FY 2010/11, total franchise taxes grew steadily, increasing from \$2.2 million to \$3.0 million. Part of the reason for the increase in franchise payments was the rise in electricity rates. Revenue from the cable television franchise meanwhile has increased steadily.

While it has grown steadily over the past seven years, franchise tax revenue is expected to flatten over the course of the next seven years, remaining at just under \$3.0 million annually. The current projection does not assume any inflationary increase or real growth through FY 2017/08. This stagnation is primarily due to the continued uncertainty surrounding cable franchise revenues. The degree to which new market entrants will affect the overall market for video services is still uncertain, as is the effect on franchise tax revenues from cable and other video service providers.

Development-Related Revenues

2004-2011 Average Annual Growth Rate:*	0.70%
2011-2018 Projected Average Annual Growth Rate:	2.30%

**Average growth rate for 2004-2011 uses unaudited actuals for FY 2010/11.*

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.

Coinciding with the building boom of the early 2000’s, the City’s development-related revenues saw tremendous growth from 2005 to 2007. At the peak of the housing and building boom, this combined source of revenue was \$2.48 million in FY 2006/07, or 4.8% of total General Fund revenue. For the period from FY 2003/04 to FY 2010/11, this source of revenue averaged \$1.90 million annually, or 4.0% 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 Community Development Department’s expenditures, since 59% of the revenues are paid to contract staff and inspectors. (On a



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related note, part of the cost cutting efforts of the 2011-13 budget included a renegotiation of the Charles Abbot contract. The resulting 59% was a 5% reduction and equated to an approximate \$60,000 savings during the two-year budget cycle, based on development related revenue projections.)

For the 2011-13 budget, development related revenue is expected to increase slightly, reflecting the improvement of the economy in general, as well as anticipating one-time fees from two large-scale residential development projects. Going forward, this source of revenue is projected to remain relatively stable, given the City’s built-out nature and no plans for significant future development projects.

Recreation Revenues

2004-2011 Average Annual Growth Rate:*	13.70%
2011-2018 Projected Average Annual Growth Rate:	2.30%

**Average growth rate for 2004-2011 uses unaudited actuals for FY 2010/11.*

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 a strongly and steadily increasing revenue source. These fees have averaged \$1.3 million annually, or 2.7% of General Fund revenue. Over the years, the City has invested significant resources into the recreation centers and they have become more and more popular with residents.

For example, in FY 2003/04, this source of revenue was \$656,000, or 1.7% of General Fund revenue. With the expansion of the Norman P. Murray center and the addition of recreational programs and special events, this source of revenue jumped to \$1.45 million or 2.8% of General Fund revenue in FY 2006/07. Since that fiscal year, this source of revenue has averaged \$1.56 million annually.

Staff anticipates a steady growth trend will continue, especially with the planned upgrade to the Marguerite Tennis Center. The recreation fees in the 2011-13 adopted budget reflect changes from the City Council approved cost recovery study (June, 2011). This cost recovery study adjusted certain fees, leading to a \$120,000 increase in recreational fee revenue during the two-year budget period.

For FY 2013/14 through FY 2017/18 it is anticipated that this source of revenue will continue to experience stable and moderate growth, averaging 2.3% annually. As with all fees, they will be studied regularly and a future cost recovery study may suggest modest increases. In addition, continued improvements to our recreational class offerings and recreational amenities should increase consumption of these resources by residents.

Interest Earnings

2004-2011 Average Annual Growth Rate:	7.43%
2011-2018 Projected Average Annual Growth Rate:	-10.02%

The City earns interest income from investments on its portfolio. The funds invested represent the City’s fund balance and the cash on hand at any given point in time. Guided by State regulations and a conservative investment policy, the earnings from pooled cash interest represent 1.6% of total annual General Fund revenue (on average for the period of FY 2003/04 through FY 2010/11).



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Interest earnings over the past several years have fluctuated wildly. This is due to the economic landscape, which has seen interest rates rise and fall to historic levels in a relatively short amount of time. Since the peak of FY 2006/07 when interest revenue in the General Fund was \$1.25 million, it has dropped off steadily, to a projected \$306,000 in FY 2011/12. The forecast of interest earnings in this MFP update is flat, showing no anticipated growth through FY 2017/18. This extremely conservative approach is based on the current interest rate environment and an uncertainty about future interest rates.

For example, at the time of this MFP update (summer, 2011), rates on a sampling of Federal bond rates were as follows:

Bond Term	Interest Rate (as of September, 2011)
3 Month	0.01%
6 Month	0.01%
2 Year	0.21%
5 Year	0.86%

With even five year Treasuries earning less than one percent, it seems prudent that pooled cash interest projections be kept flat. The MFP projects, from FY 2012/13 through FY 2017/18, revenue from interest earnings to be \$206,500 annually.

Operating Budget Expenditures

2004-2011 Average Annual Growth Rate:	10.80%
2011-2018 Projected Average Annual Growth Rate:	1.62%

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 lease of the Corporation Yard, the development of Florence Joyner Olympiad Park, renovations of City recreation centers, 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



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levels of maintenance and rehabilitation have impacted operating costs. As a result, from FY 2003/04 through FY 2010/11, operating expenditures have increased at an annual average rate of 10.8%

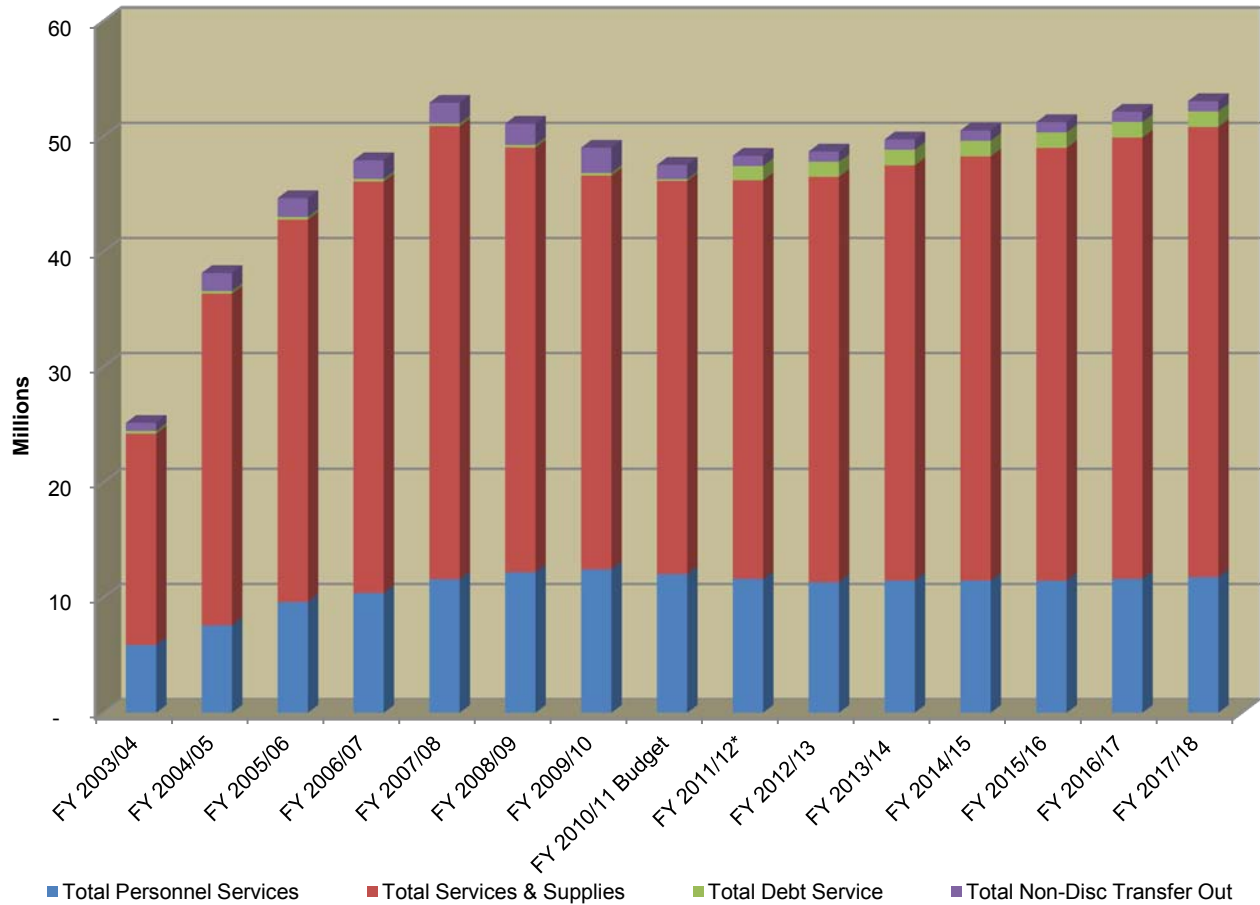
With recessionary effects first being felt during FY 2008/09, operating expenditures were reduced significantly to offset the decline in General Fund revenues and keep the budget balanced without any significant drawdown of reserves. Actual operating expenditures for FY 2008/09 were \$1.82 million less than the previous year. In an effort to maintain reserves and balance ongoing expenditures with revenue, the City continued to reduce its operating budget in subsequent years. This can be seen in the continued year-over-year decline in actual expenditures: -4.1% in FY 2009/10 and -1.6% in FY 2010/11.

Continued efforts to reduce expenditures and increase efficiencies have translated into a 1.9% increase in FY 2011/12 General Fund adopted ongoing appropriations when compared to FY 2010/11 adopted operating expenditures. The FY 2012/13 budget reflects a modest increase of 0.8%, over the FY 2011/12 adopted budget.

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 2011/12 through FY 2017/18. The largest single component by far continues to be services and supplies (the red section of the bar graph), representing 69.9% of total adopted General Fund operating budget expenditures in FY 2010/11. Given the degree to which Mission Viejo relies on contract services, this high percentage is to be expected. Personnel costs account for 25.1% of total operating expenditures in FY 2010/11. The remaining 5% goes toward debt service and non-discretionary transfers. A separate and more detailed discussion of personnel and services and supplies costs is presented below.



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Personnel Costs

2004-2011 Average Annual Growth Rate:	11.36%
2011-2018 Projected Average Annual Growth Rate:	-0.30%

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 have been frozen. This means that no cost of living adjustments or merit increases have been provided for the past two years.

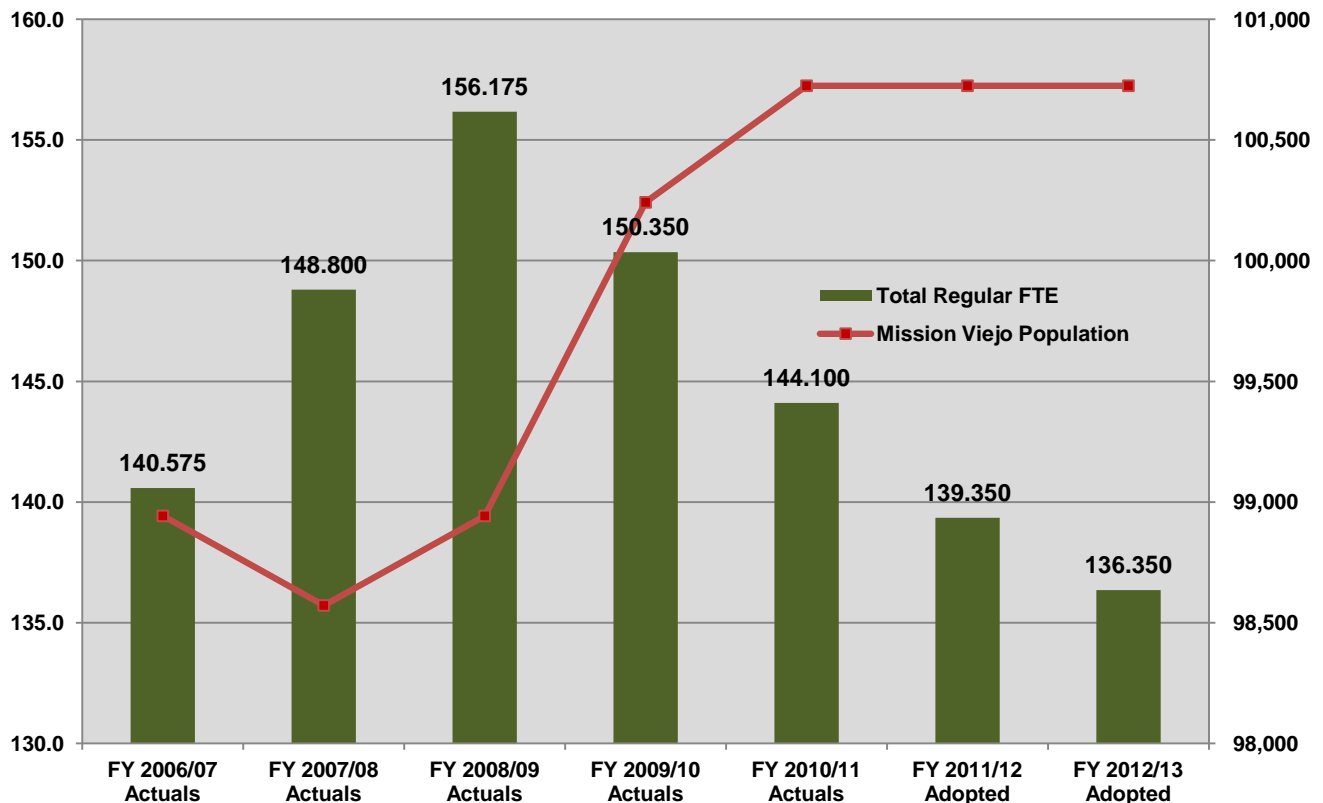
In addition to the wage freeze, from FY 2008/09 to FY 2011/12, twenty-one full-time equivalent (FTE)



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positions have been eliminated citywide (this includes positions funded by the Animal Services and Library Services funds). The total number of full-time equivalent positions funded by the General Fund is currently 98.980 in FY 2011/12. This position count **excludes** the Animal Services (15.300 FTE) and Library staffs (25.250 FTE), whose salary and benefit costs are paid for in full by the Animal Services Fund and the Library Fund, respectively. The FY 2012/13 budget includes a plan to reduce staffing by another three to four positions. (The graph below shows total FTE counts for a seven-year period.)



In an ongoing effort to decrease the cost per position, a recently approved City Council plan will have employees paying the full eight percent share of their retirement by FY 2014/15. This will decrease the City’s retirement costs by shifting a greater burden directly onto the employees. In addition, the City Council recently approved a second tier retirement program for all new employees hired after July 9, 2011. 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.

For the 2004-2011 period, total General Fund personnel costs have grown on average at a rate of 11.4% per year. 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.)

As detailed in previous sections of the adopted budget, aggressive steps were taken in developing the



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2011-13 budget to continue cost reductions and increase organizational efficiencies. General Fund personnel costs will decrease 3.5% in FY 2011/12 compared to the FY 2010/11 adopted budget. For FY 2012/13, personnel costs are projected to fall another 2.5%. The majority of these savings comes from the 4.75 FTE reduction in FY 2011/12 and the planned 3.0 – 4.0 FTE reduction for the following fiscal year. Contributing to these decreases in salary and benefit costs is the increasing amount of retirement costs being taken on by the City's employees, which directly and immediately lowers the City's retirement expenditures.

It should be noted that savings will be achieved even with the return of modest cost of living adjustments in January, 2012 and January, 2013. A cost and compensation study was conducted in spring of 2011 and indicated that the City's employees were falling behind in total compensation when compared to similar cities. In an effort to maintain our workforce and remunerate employees fairly for the increased workloads they had taken on in recent years, a modest cost of living increase of 2.63% will be provided, effective January, 2012. This will be offset by employees paying an additional 1.25% of retirement costs, netting a 1.38% increase in wages. (It should be noted that inflation is expected to be at or above 2.0% for the next several years.)

Beyond FY 2012/13 there are no concrete plans to continue reducing total staffing levels. However, management is always looking at ways to increase efficiency throughout the organization and future reductions in staffing could occur. For FY 2013/14 through FY 2017/18, the MFP projects a 0.8% average annual increase in total personnel costs. The slight increase allows for continued modest cost of living adjustments and potential increases to benefit costs, net of employees paying more towards their retirement benefits each fiscal year, until the full eight percent is attained in FY 2014/15.

However, the one wild card in the out year forecasts continues to be retirement costs. The City's retirement plan is with the California Public Employee Retirement Systems (Cal-PERS). Due to the recession and subsequent stock market crash of 2008-2009, Cal-PERS lost a significant amount of its investment portfolio. Member agency contribution rates are determined by many factors, but one of them is dependent upon the assumption that Cal-PERS investments will grow at an annual rate of 7.75% (also known as the "discount rate"). During the market turmoil of 2008-2008, Cal-PERS investments did not grow anywhere near the discount rate.

There are certain triggers in the Cal-PERS policies that dictate when member agency rates will change and by how much. One of these triggers is portfolio losses (or gains) of twenty percent or more; also known as the "corridor." Given the recent market turmoil, member agency rates increased markedly in response to the discount rate assumption not being met (falling outside of the corridor).

For example, the FY 2011/12 Cal-PERS rate for the City of Mission Viejo is 16.361%, this is more than two percent higher than the FY 2010/11 rate. In dollar terms, the City is projected to make a payment of \$1.2 million to Cal-PERS in FY 2011/12; this is more than double the amount of FY 2003/04, when the contribution was \$438,000.

Recent stock market gains have replaced the sense of urgency for Cal-PERS to continue raising member rates. In addition, recent actions by Cal-PERS to further smooth investment gains and losses will likely moderate any future rate increases. The City has also proceeded to reduce annual pension costs by adjusting the amortization schedule for paying off the unfunded pension liability to a timeframe more typically used by local governments.

However, given the tepid nature of the current economic recovery, and the seemingly daily stock



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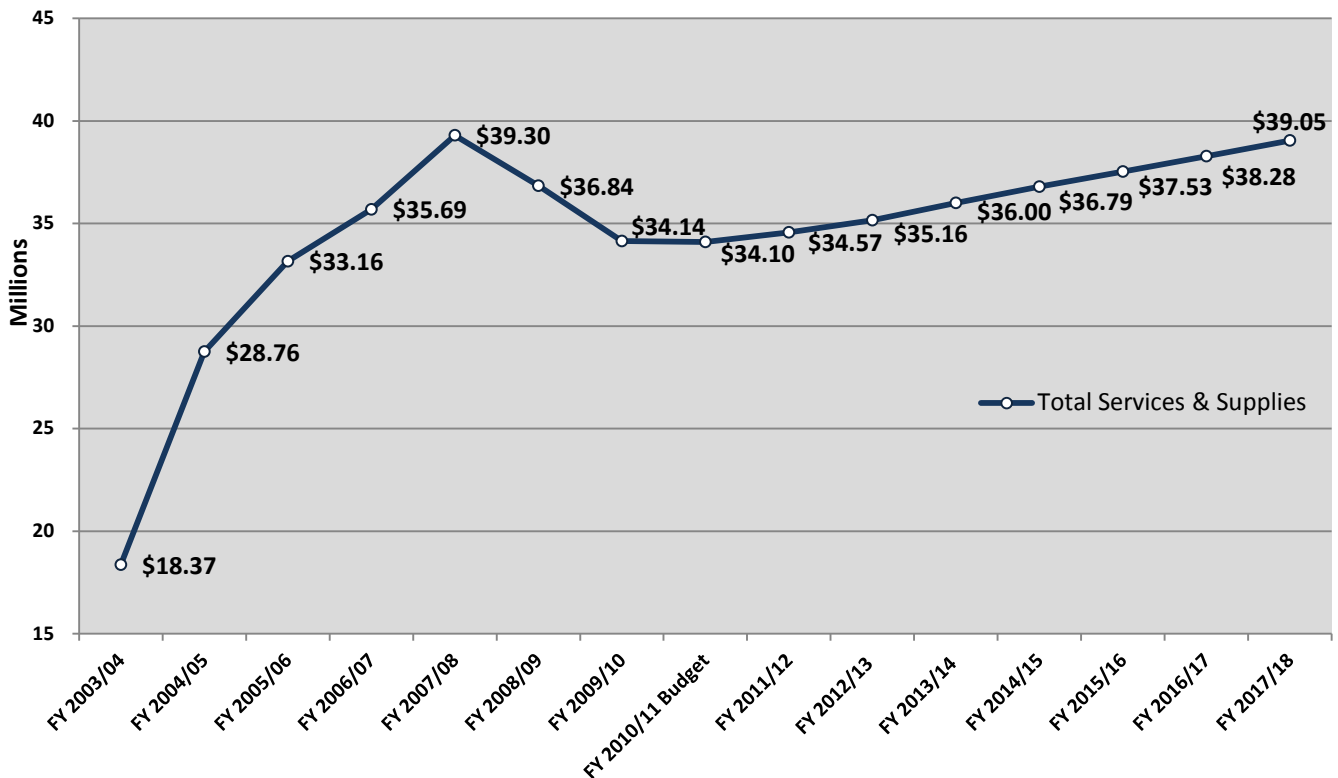


market fluctuations, it is possible that the amount the City contributes to Cal-PERS could increase in future years due to factors beyond our control. The hedge against this is the fact that total staffing levels have declined by more than twenty positions in the past three years. Therefore, while Cal-PERS 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

2004-2011 Average Annual Growth Rate:	10.85%
2011-2018 Projected Average Annual Growth Rate:	1.95%

Services and supplies make up the single largest component of total General Fund operating expenditures (69.9% in FY 2010/11) and include all of the non-personnel, non debt serve, 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.



As the graph above indicates, from FY 2003/04 through FY 2010/11 (adopted budget), the cost of all services and supplies grew from \$18.37 million, or 72.9% of total operating expenditures, to \$34.01million, or 71.9% of operating expenditures. Just as personnel expenditures were reduced in response to the economic downturn, so were services and supplies expenditures. The \$34.01 million adopted budget for FY 2010/11 on services and supplies is \$5.3 million less than actual expenditures in FY 2007/08.

For the upcoming two-year budget period, services and supplies will increase to \$34.57 million and \$35.16 million respectively for FY 2011/12 and FY 2012/13. The out years of the forecast assume



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services and supplies will grow at the forecasted rate of inflation, an annual average of 2.1% from FY 2013/14 to FY 2017/18. (According to the UCLA Anderson School's economic forecast from December, 2010, inflation should average 2.2% from 2013 through 2016, the latest year for which data is currently available. The Chapman University forecast of June, 2011 provided inflation projections through 2012 only. They projected inflation in Orange County to average 2.9% annually.)

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 2010/11 was \$15.17 million, which represented 44.6% of the services and supplies adopted budget, or 32.1% of total adopted General Fund operating appropriations. Infrastructure maintenance programs, which include the street, landscape, building, and fleet maintenance programs, totaled \$11.21 million in FY 2010/11, and represented 33.0% of the adopted budget for services and supplies, or 23.7% of the General Fund operating adopted budget in FY 2010/11.

Police Services

2004-2011 Average Annual Growth Rate:	5.73%
2011-2018 Projected Average Annual Growth Rate:	2.20%

The average annual growth rate of 6.0% for police services costs for the period of FY 2003/04 to FY 2010/11 was the result of both additions of sworn and non-sworn positions to our contract with the Orange County Sheriff's Department (OCSD), as well higher costs for salaries and benefits, services and supplies, transportation and overhead. During that period, a total of three sworn police personnel and one non-sworn staff member were added to the City's contract with the Sheriff's Department, with the most recent additions being two School Resource Officers in FY 2007/08.

While outside of the historical scope of this master financial plan update, one of the major individual items of cost increase over the past ten years was in FY 2002/03, when the police contract jumped \$1.4 million or 18%, mostly due to the implementation of the public safety "3% at 50" retirement benefit.

This plan does not contemplate adding any sworn or non-sworn personnel through FY 2017/18. For the upcoming two-year budget period, OCSD was able to hold their costs at approximately FY 2010/11 levels. Responding to the citywide request to cut expenditures, our police services partner did their part. Excellent management of overtime, as well as holding positions vacant have helped maintain our OCSD contract costs at prior year levels without any decrease in public safety patrols, programs or services. From FY 2013/14 through FY 2017/18, it assumed that the polices services contract will grow at the rate of inflation (e.g., 2.2%).



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Infrastructure Maintenance

2004-2011 Average Annual Growth Rate:	4.73%
2011-2018 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 in FY 2003/04 was \$7.66 million; by FY 2010/11, it was \$9.18 million, an average annual growth rate of 3.5% during that period. There has been an emphasis placed on slope rehabilitation in recent years, which can be seen in the increased expenditures on landscape maintenance.

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 9.4%. However despite the reductions, this program area still averaged 35.8% of total services and supplies expenditures from FY 2008/09 through FY 2010/11.

The two-year budget period of 2011-13 saw reductions in certain programs in infrastructure maintenance as citywide operating expenditures were reduced yet again to align with projected revenues. Overall, this program area will see an increase of 3.8% in FY 2011/12 when compared to the FY 2010/11 adopted budget. The primary reason for this increase is the shifting of street sweeping contract appropriations to the General Fund. In an effort to maximize the amount of gas tax revenue available for capital projects (i.e., road repair), the bulk of operating expenditures previously charged to the Orange County Transportation Authority (OCTA) Gas Tax Exchange Fund (fund 207) were moved to the General Fund. Excluding Street Maintenance appropriations in FY 2011/12, the Infrastructure Maintenance program area actually declined by 5.7% when compared to the FY 2010/11 adopted budget.

For the planning period of FY 2013/14 through FY 2017/18, it is expected that infrastructure maintenance appropriations will grow by the rate of inflation (approximately 2.2%). This planning period will see a continued emphasis on slope rehabilitation and maintenance as well as the continued upkeep of the City's parks, recreation facilities and other public spaces.

All Other Program Areas

2004-2011 Average Annual Growth Rate:	4.16%
2011-2018 Projected Average Annual Growth Rate:	2.12%

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 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 1.5% average annual growth rate from FY 2003/04 through FY 2010/11. The peak year for services and supplies for these program areas was FY 2007/08, when they totaled \$10.51 million. Since then, in response to the recession and concomitant decline in



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revenues, expenditures have dropped more than two million dollars, to \$8.40 million in FY 2010/11 (adopted budget). The 2011-13 budget continues this cost containment by cutting services and supplies appropriations by 1.9% in FY 2011/12 (compared to the FY 2010/11 adopted budget); there is a projected 2.5% increase in FY 2012/13 as services and supplies appropriations return to the FY 2010/11 level.

Given the extensive cost cutting and efficiency increasing methods of the past four years, the MFP projects services and supplies costs in the "All Other Program Areas" category to only grow to FY 2006/07 levels by FY 2017/18. The continued focus on maintaining expenditures in light of modest revenue growth will help the City maintain a balanced budget.

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 (Aliso Viejo became a partner city on January 1, 2009). 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 2003/04 to FY 2010/11, the General Fund transfer to the Animal Services fund averaged \$475,000. The 2011-13 budget has the General Fund subsidy at \$475,000 for both fiscal years. The future years in the master financial plan keep the subsidy at the \$475,000 level through FY 2017/18. 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, livescan fingerprinting, late fees, etc.), property tax remains the largest, single source of revenue. For the 2011-13 budget, property tax accounts for 76% of total



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Library Services fund revenue.

With the recent re-organization of Recreation and Community Services in FY 2009/10, the cultural services program was transferred to the Library and Cultural Services Department. The expansion of library services in recent years required the General Fund subsidy to increase from \$99,000 in FY 2004/05 to \$667,000 in FY 2010/11. Recent cost cutting efforts have decreased total library expenditures, hence requiring a lower level of General Fund support. For the 2011-13 budget period, the General Fund transfer to the Library Services fund is \$415,000, with the future years of the MFP projecting the subsidy to remain at that amount through FY 2017/18.

City Hall Bond Debt Service

In keeping with the tradition of prudent fiscal management, the City recently defeased (i.e., re-financed) two of its outstanding bond issues: the 1996 Certificates of Participation (COPs) which were issued to partially finance the construction of the City's library, and the 2001 Lease Revenue Bonds, used to fund construction of City Hall and expansion of the library.

The new debt issue combined the outstanding balances of the 1996 COPs and 2001 Lease Revenue Bonds into a new debt issuance: the 2009 Series A Lease Revenue Bonds. This action will save the City – and most significantly the General Fund – approximately \$275,000 over the remaining life of the loan. What is significant about this action is that the majority of these savings will occur in the near-term, which has greatly assisted in the City's budget balancing efforts for 2011-13.

Debt service on the 2009 Series A bonds is \$1,241,363 in FY 2011/12, and \$1,303,363 in FY 2012/13. These payments comprise 2.6% and 2.7% of General Fund revenue in FY 2011/2 and FY 2012/13, respectively. From FY 2013/14 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).

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 the fiscal years of 2007/08 to 2009/10. As a result, the General Fund had operating budget expenditures and operating transfers that were greater than revenues that averaged approximately \$2.06 million for that period. The graph below illustrates this deficit period.

The continued focus on reducing expenditures has led to a balanced budget for 2011-13, which does not draw down reserves. Given the revenue and expenditure projections included in this MFP update, the General Fund will start generating "net operating funds" again in FY 2013/14 and the amounts are forecast to increase each year through FY 2017/18. In fact, the average net operating funds amount for the fiscal years of 2013/14 through 2017/18 is \$2.65 million.

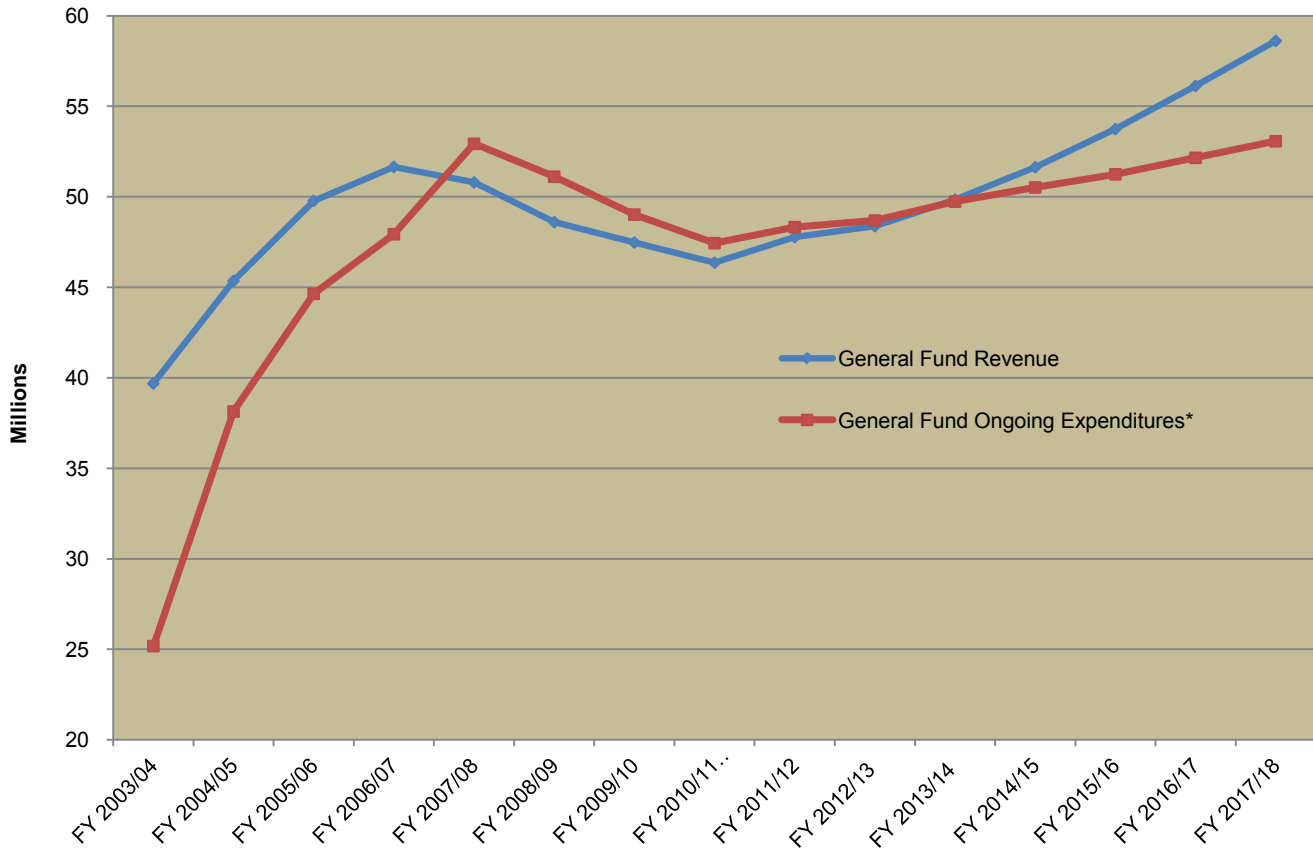
As the graph below indicates, the positive variance between ongoing revenues and expenditures continues to grow through FY 2017/18. In fact, one can see the rate of growth in revenues outpaces



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the rate of growth in ongoing expenditures (i.e., the slope of the graph) beginning in FY 2014/15.



*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).

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



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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, the 2011 update of the MFP placed a greater focus on identifying items such as the rolling reserve release revenue that fluctuate widely and which should not be part of the baseline MFP forecast.

Because of the unpredictability of this revenue source, it is appropriate to consider it useful for funding only one-time expenditures, such as capital items or transfers to other reserve funds. For FY 2012/13 through FY 2017/18, a minimal amount of \$386,000 in rolling reserve release revenue is included as discretionary/one-time revenue. This amount was decided upon by analyzing prior year rolling reserve releases 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. The target funding level of both funds is established by City Council policy and is based on the accumulated depreciation of the assets within the fund.

The CEFV Fund currently has a target funding level of 100% of accumulated depreciation and the FR&R Fund has a current target funding level of 50% of accumulated depreciation (with the assumption that the other 50% is funded by direct General Fund capital outlay expenditures). The City has had a practice of making annual transfers from the General Fund to each of the asset replacement funds in an amount which represents the calculated 100% or 50% depreciation levels for that two-year budget period. In addition, there would often be an additional transfer to each of those funds in an amount equal to the portion of any unfunded accumulated depreciation (also referred to as a “catch up” amount).

Due to the recessionary effects on the City’s revenue, there were no net operating funds available in the General Fund to make the annual transfers to either asset replacement fund in the 2009-11 budget. In an effort to maintain a balanced budget and not draw down reserves, the 2011-13 adopted budget continued this moratorium on transfers to the asset replacement funds, transferring a token amount of \$500,000 to only the CEFV fund.

The CEFV is currently funded at only 67.8% of total accumulated depreciation; while the FR&R fund is at 34.2% of funding. The calculated, ongoing depreciation of the CEFV fund equates to an annual transfer of \$894,000 from the General Fund. In addition, the unfunded accumulated depreciation would require an annual catch-up amount of \$1.17 million in FY 2011/12 and \$128,000 in FY 2012/13 in addition to the \$894,000. The FR&R fund would require \$2.50 million annually for the normal depreciation to be covered, with an additional amount of \$2.09 million as the catch-up amount for FY 2011/12 through FY 2013/14.

It is vitally important that the City’s asset replacement needs be met. However, in an effort to maintain reserves, the availability of net operating funds is limited. This master financial plan update only projects a minimum \$500,000 transfer to the CEFV from from FY 2013/14 through FY 2017/18, and no transfer of funds to the FR&R fund. While this decision will help maintain reserves above the 50% of



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General Fund revenue target level, it does so at the expense of long-term funding of the city's asset replacement needs.

Not funding the two asset replacement funds at their 100% and 50% levels helps keep the General Fund group fund balance at 49.7% and 49.9% of General Fund revenue in fiscal years 2013/14 and 2014/15, and even helps it grow to 52.4%, 57.1% and 63.9% from FY 2015/16 through FY 2017/18. Depending on City Council direction, it does seem possible that additional transfers to the CEFV and/or the FR&R funds could resume in those fiscal years, given the projected growth of the General Fund group fund balance.

Capital Improvement Projects

Capital improvement project spending from the General Fund has varied greatly over the past seven years, from a low of \$553,000 in FY 2009/10 to a high of \$7.82 million in FY 2007/08. Over seven million dollars of the FY 2007/08 expenditures were related to the Norman P. Murray Community and Senior Center expansion. A total of \$16.93 million of General Fund appropriations was spent from FY 2003/04 to FY 2010/11 on capital projects as well as capital equipment purchases. This is an average of \$2.12 million per year.

For the two-year budget of 2011-13, three primary capital projects are planned to receive funding from the General Fund: the Marguerite Tennis Center renovation and lighting project, the Aquatics Complex decking rehabilitation, and the construction of a dog park. Looking to FY 2013/14 and beyond, no new capital project spending is planned.

As discussed above in the asset replacement section, there is a possibility that beginning in FY 2014/15, transfers to those funds could increase. If this does occur, there is a possibility that General Fund capital expenditures related to the FR&R fund could be realized. Since the funding goal of the FR&R fund is 50% of accumulated depreciation, by design the remaining 50% of asset rehabilitation and repair comes directly from the General Fund. Hence, any transfer to the FR&R fund would be matched by General Fund capital expenditures and would appear in those out years of any future MFP update.

A Discussion of Reserves

In FY 2007/08, reserve accounts were restructured, following a City Council requested review of the adequacy and structure of General Fund reserves. Prior to this restructuring, there were nine separate reserve accounts. The updated City Council policies streamlined and simplified the reserve structure, leaving just three reserve accounts within the General Fund, plus the two asset replacement funds (CEFV and FR&R funds).

In addition, the policy update of FY 2007/08 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.



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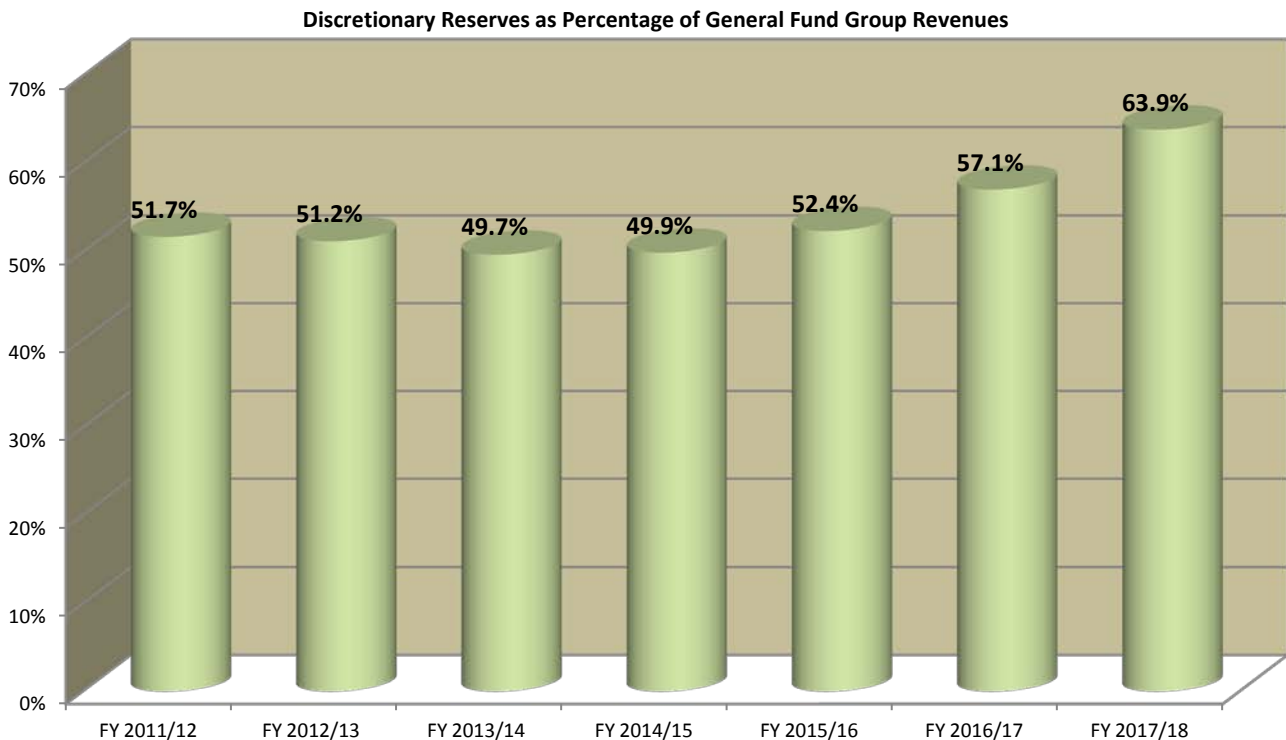


The minimum target level for General Fund group fund balance has been established by City Council action to be 40% of General Fund group revenues, with an ideal target level of 50% of General Fund group revenues.

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. The discussion up to this point has been centered on ways in which the near-term 2011-13 budget maintained General Fund group fund balance above the 50% City Council established target level. In addition, there was discussion of how future year projections placed an emphasis on maintaining this 50% fund balance level versus funding asset replacement needs and making direct General Fund capital outlay and equipment expenditures.

In this 2011 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 2011-13 adopted budget, the levels are actually 52% and 51%, respectively. The following years, beginning with FY 2013/14, General Fund group fund balance is projected to be 49.7%, 49.9%, 52.4%, 57.1% and ending in FY 2017/18 at 63.9% (see chart below).



During the 2011-13 two-year budget period, the dollar amount of reserves will be \$24.72 million and \$24.79 million. During the last five years of the plan, the dollar amount of reserves will increase from \$24.78 million to \$37.46 million.

Separate sections follow on the purpose of and recommended allocation for the five components of discretionary reserves.



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Software Replacement Reserve – General Fund

A Software Replacement Reserve was established in FY 2007/08, based on the number and expense of major information systems that may possibly need replacement or upgrades over the next seven years. One or more of the City's major information systems, such as the City's facility reservation, citizen request, and/or financial management software, may need to be replaced by FY 2017/18. Staff initially recommended a level of \$459,000 for this reserve, based on the combined expected value of the cost of replacing five major systems. The calculation of expected value took into account the estimated cost to replace the system as well as a probability assessment of the likelihood of replacement. For the 2011-13 budget, the software replacement reserve is set at \$359,000.

Contingency Reserve – General Fund

City Council policy calls for this reserve to be maintained at a level of 15% of General Fund revenues. The Contingency Reserve's purpose is to address 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.

For each of the next seven years, this reserve is projected to remain at the 15% level. The actual amount in the reserve will vary from year to year as total General Fund revenues vary. The balance in the account will range from \$7.17 million to \$8.79 million from FY 2011/12 to FY 2017/18.

Unappropriated Fund Balance – General Fund

In an effort to maintain the 15% Contingency Reserve and the \$359,000 in the Software Replacement Reserve, the unappropriated fund balance will range from \$397,000 to \$11.51 million over the course of the seven-year MFP planning horizon. The reason for the significant jump in the unappropriated fund balance from FY 2011/12 to FY 2017/18 is due to the fact that no capital outlay expenditures are planned out of either asset replacement fund or the General Fund. That is, the fund balances for the CEFV and FR&R funds are remaining at their FY 2011/12 levels. Add to this, the fact that the fund balance in the General Fund is growing as revenue growth outpaces expenditures, and the reason for the exponential growth of unappropriated fund balance becomes obvious.

Because of this out-year growth in unappropriated fund balance, there exists the real possibility that transfers to the asset replacement funds, as well as direct capital outlay expenditures from the General Fund, could resume sooner rather than later. It is important to maintain a focus on replacing and repairing the City's assets, since they help the City provide the type and level of service Mission Viejo residents have come to expect.

Computers/Equipment/Furnishings/Vehicles (CEFV) Replacement Fund

As describe earlier, the Computers, Equipment, Furnishings, and Vehicles (CEFV) Fund is one of two asset replacement funds maintained per City Council policy as a separate fund for budgetary purposes. Its purpose is to fund the replacement costs of existing office equipment, vehicles, computers and office furnishings when they reach the end of their useful lives. The fund is combined into the General Fund on the City's audited financial statements. As noted earlier, this fund is to be maintained at a level sufficient to fund 100% of accumulated depreciation of the assets, based on estimated replacement costs and useful lives.



CITY OF MISSION VIEJO *2011-13 Master Financial Plan*



When the fund was most recently analyzed in the winter of 2011, staff determined that funding levels had dropped to 67.8%. This is due to the fact that, in order to maintain reserves, the transfer of net operating funds from the General Fund was halted during the 2009-11 budget. In addition, in FY 2008/09, since the funding level was more than needed to fund accumulated depreciation, the City Council authorized a transfer of funds **from** the CEFV fund to the General Fund.

For the 2011-13 budget, only a minimum amount is being transferred from the General Fund (\$500,000 in FY 2011/12). As discussed above, this is less than the \$894,000 in annual accumulated depreciation. The transfer of \$500,000 also does not address the unfunded accumulated depreciation (the catch up amount).

Some minimal expenditures are planned out of the CEFV for FY 2011/12. These expenditures will be funded by using the surplus realized at the close of FY 2010/11. Computers, an animal services vehicle, and fitness equipment for the recreation and fitness centers will be purchased in FY 2011/12.

The current MFP does not anticipate resuming the funding of accumulated depreciation due to the emphasis being placed on maintaining the 50% fund balance level through FY 2017/18. At the current time, annual expenditures from the CEFV fund will be budgeted on a "pay as you go" basis. That is, once the previous fiscal year is closed out, the availability of surplus funds will be analyzed and an appropriate amount will be spent on the most immediate asset replacement needs. However, as noted above in the discussion of unappropriated fund balance, should revenue and expenditure projections hold, it can be expected that annual transfers to and regular expenditures from the CEFV fund will resume in the near future.

Facility Rehabilitation and Replacement Fund

The Facility Rehabilitation and Replacement Fund (FR&R Fund) is the second of the two asset replacement funds. Per City Council policy, this fund is maintained as a separate fund for budgetary purposes in order to fund the rehabilitation or replacement costs of existing City buildings, recreational facilities, parks, and sports field fixtures when they reach the end of their useful lives. As described previously, the target level of the FR&R fund is to be maintained at a level sufficient to fund 50% of accumulated depreciation of the assets, based on estimated replacement costs and useful lives.

At the time of the most recent review of this fund in winter 2011, staff determined that the fund was at 34.2% of accumulated depreciation. Contributions into the fund were suspended during the 2009-11 and 2011-13 budget periods, which, along with the transfers out of the fund, have caused it to drop below the 50% funding level. No expenditures are planned from the fund during the 2011-13 budget. Similar to the approach taken with the CEFV fund, there are currently no planned transfers from the General Fund, nor are there any planned expenditures, through FY 2017/18. But, as with the CEFV fund, given the projected growth in fund balance, the resumption of expenditures out of the FR&R fund can be expected in the next few years should the current revenue and expenditure projections hold.



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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, or contemplating changes to staffing levels, this MFP can forecast the ripple effects on the bottom line (i.e., fund balance). 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 in the coming weeks and months, 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.

The uncertainty of the economy as of summer 2011 is the biggest variable weighing on the accuracy of the baseline MFP projections. Should the nation slip back into another recession, or if the “recovery” slows down even more, then the revenue projections contained in this updated MFP will need to be re-evaluated. Or, if the State of California continues to suffer from budget deadlock and “fixes” its financial issues on the backs of local agencies, then the effects of whatever legislative machinations Sacramento conjures up will need to be faced.

The MFP will be fully reviewed and updated in the winter of 2012, prior to the updated and adoption of the FY 2012/13 budget. At that time, information from new economic forecasts will be incorporated into the revenue and expenditure projections (i.e., the UCLA Anderson School and Chapman University economic forecasts will occur in November and December, 2011, respectively). The impacts which these latest economic forecasts will have on the City’s ongoing revenue and expenditure forecasts will be utilized in updating the MFP and ultimately the FY 2012/13 budget. Furthermore, the development of 2013-15 budget will incorporate additional economic forecast data which might change the expenditure plan presented here.

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.

RESOLUTION 11-45

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MISSION VIEJO, CALIFORNIA, APPROVING A BUDGET FOR 2011-13, AND APPROPRIATING FUNDS FOR FISCAL YEAR 2011/12 ONLY

WHEREAS, the City Manager presented to the City Council on June 6, 2011, a Proposed Budget for the 2011-13 fiscal years; and

WHEREAS, City staff and the City Council have recommended certain changes be made to the Proposed Budget to reflect additional information, revised estimates and modifications in priorities; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MISSION VIEJO, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the 2011-13 Budget for the City of Mission Viejo is hereby adopted.

SECTION 2. That appropriations are hereby authorized and revenue estimates confirmed for FY 2011/12 only, in accordance with the Proposed Budget dated June 6, 2011, as further modified by Council and staff on June 15, 2011, June 20, 2011, and July 5, 2011, as reflected on Exhibits A, B, C, D, E, F and H to this Resolution.

SECTION 3. That regular staff positions are hereby authorized for FY 2011/12 in accordance with Exhibit G to this Resolution.

SECTION 4. That, for FY 2011/12, 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 these budget categories, within each budgetary program and within the same fund, provided that total appropriations for a budget category within the program and within the same fund are not exceeded.

SECTION 5. That, for FY 2011/12, 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 2011/12, 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. The Budget contains appropriations for the funding of the following community service organizations/projects: (1) Orange County Sheriff's Department Medal of Valor ceremony (\$1,500); (2) Fair Housing Foundation (\$8,000); (3) Social Service agencies identified as part of the Community Development Block Grant allocation (\$70,000); (4) U.S. Marine Corps (\$31,400); (5) Pacific Symphony (\$31,050); (6) Mission Viejo Activities Committee (\$70,000); (7) Capistrano Valley, Trabuco Hills, Mission Viejo, Silverado, and Tesoro High Schools for graduation nights (\$8,500); (8) Community Service organizations (\$50,000); and (9) American Cancer Society's Relay for Life (\$8,000). In making these appropriations, and any additional appropriations to community service organizations/projects on July 5, 2011, the City Council finds, determines and declares that with respect to each matter: (1) the project provides a service 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 5, 2011.

PASSED, APPROVED, AND ADOPTED this 5th day of July, 2011.



Dave Leckness
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 5th day of July, 2011, by the following vote of the Council:

AYES: Kelley, Leckness, Reardon, and Ury
NOES: Schlicht
ABSENT: None

ATTEST:


Karen Hamman
City Clerk



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. Since then, each subsequent year's limit is increased or decreased for changes in inflation and population and 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 2011/12 appropriations limit and annual adjustment factors, which are shown below, were adopted by the City Council at the July 5, 2011 meeting, along with the 2011-13 budget.

I. 2011-12 APPROPRIATIONS LIMIT:

2010-11 Limit		\$274,237,273
x Annual Adjustment Factors:		
Population Increase (for County)	0.700%	1.00700
Inflation Change (California Personal Income)	2.510%	1.02510
		1.03227
2011-12 Limit		\$283,088,330

II. APPROPRIATIONS SUBJECT TO LIMIT AND APPROPRIATIONS MARGIN:

Proceeds of Taxes	42,719,046	
Less Exclusions:		
Federal Mandates	334,784	
Total Exclusions	334,784	
	Appropriations Subject To Limit	42,384,262
Appropriations Margin		\$240,704,067

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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.



CITY OF MISSION VIEJO *Glossary*



RISK MANAGEMENT: An organized attempt to protect an organization's assets against accidental loss in the most cost-effective manner.

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.



2011-13 Adopted Budget
Authorized Positions
Regular Positions/Full-Time Equivalents (FTE)



Eliminated Positions
Changes to Classification
Re-organization

Department	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	Change from Prior Year	FY 2012/13 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
<i>Deputy City Manager/Community Relations & Communications Manager</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>
<i>Department Assistant</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>
Senior Executive Assistant	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
Total City Manager	5.000	5.000	5.000	3.000	-2.000	3.000	0.000
Information Technology							
Director of Information Technology	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Information Technology Manager	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Information Technology Specialist	4.000	4.000	4.000	4.000	0.000	4.000	0.000
Information Technology Technician	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Administrative Assistant	0.500	0.500	0.500	0.500	0.000	0.500	0.000
Total Information Technology	7.500	7.500	7.500	7.500	0.000	7.500	0.000
City Clerk							
City Clerk	1.000	1.000	0.000	0.000	0.000	0.000	0.000
<i>City Clerk / Director of Community Relations & Communications</i>	<i>0.000</i>	<i>0.000</i>	<i>1.000</i>	<i>0.000</i>	<i>-1.000</i>	<i>0.000</i>	<i>0.000</i>
<i>City Clerk / Director of Community Relations</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>1.000</i>	<i>1.000</i>	<i>1.000</i>	<i>0.000</i>
Assistant City Clerk	1.000	1.000	1.000	1.000	0.000	1.000	0.000
City Clerk Specialist	1.000	1.000	1.000	1.000	0.000	1.000	0.000
<i>Records Management Coordinator</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>
<i>Records Management and Community Relations Coordinator</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>1.000</i>	<i>1.000</i>	<i>1.000</i>	<i>0.000</i>
Total City Clerk	4.000	4.000	4.000	4.000	0.000	4.000	0.000
Administrative Services							
<i>Assistant City Manager/Director of Admin Services</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>
<i>Director of Admin Services/City Treasurer</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>1.000</i>	<i>1.000</i>	<i>1.000</i>	<i>0.000</i>
Accountant	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
Senior Accounting Clerk	1.500	0.750	0.750	0.750	0.000	0.750	0.000
Accounting Clerk	0.750	0.750	1.750	1.750	0.000	1.750	0.000
Accounting Manager	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
Budget & Research Manager	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Senior Department Assistant	2.000	2.000	1.000	1.000	0.000	1.000	0.000
Management Analyst	1.000	1.000	0.000	0.000	0.000	0.000	0.000
Payroll Technician	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Purchasing Analyst	1.000	1.000	0.750	0.750	0.000	0.750	0.000
Senior Accountant	0.625	0.800	0.800	0.800	0.000	0.800	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
<i>Human Resources Analyst</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>
<i>Sr. Human Resources Analyst</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>1.000</i>	<i>1.000</i>	<i>1.000</i>	<i>0.000</i>
Human Resources Manager	1.000	0.000	0.000	0.000	0.000	0.000	0.000
<i>To Be Determined*</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>-1.000</i>	<i>0.000</i>	<i>-1.000</i>
Total Administrative Services	18.575	17.000	15.750	14.750	-1.000	14.750	0.000

*Effective January 1, 2012



2011-13 Adopted Budget
Authorized Positions
Regular Positions/Full-Time Equivalents (FTE)



Eliminated Positions
Changes to Classification
Re-organization

Department	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	Change from Prior Year	FY 2012/13 Adopted	Change from Prior Year
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	2.000	2.000	0.000	2.000	0.000
Code Enforcement Officer	2.000	2.000	2.000	2.000	0.000	2.000	0.000
Senior Code Enforcement Officer	1.000	0.000	0.000	0.000	0.000	0.000	0.000
Code Enforcement Supervisor	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Department Assistant	1.000	0.000	0.000	0.000	0.000	0.000	0.000
<i>Planning Manager</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>
<i>Planning and Economic Development Manager</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>1.000</i>	<i>1.000</i>	<i>1.000</i>	<i>0.000</i>
<i>Economic Development Manager</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>1.000</i>	<i>1.000</i>	<i>1.000</i>	<i>0.000</i>
Total Community Development	10.000	8.000	8.000	9.000	1.000	9.000	0.000
Library Services							
Director of Library Services	1.000	1.000	0.000	0.000	0.000	0.000	0.000
Director of Library & Cultural Services	0.000	0.000	1.000	1.000	0.000	1.000	0.000
Library Services Coordinator	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Librarian I/II	5.625	6.750	6.750	6.750	0.000	6.750	0.000
Senior Library Assistant	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Library Assistant	5.500	4.500	3.500	3.500	0.000	3.500	0.000
Graphic Information Specialist	0.750	0.000	0.000	0.000	0.000	0.000	0.000
Design & Marketing Specialist	0.000	1.000	1.000	1.000	0.000	1.000	0.000
<i>Community Services Supervisor</i>	<i>0.000</i>	<i>1.750</i>	<i>2.000</i>	<i>0.000</i>	<i>-2.000</i>	<i>0.000</i>	<i>0.000</i>
<i>Cultural Services Supervisor</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>2.000</i>	<i>2.000</i>	<i>2.000</i>	<i>0.000</i>
Library Clerk	3.250	3.250	3.000	3.000	0.000	3.000	0.000
Senior Librarian	3.000	3.000	3.000	3.000	0.000	3.000	0.000
Library Manager	2.000	2.000	2.000	2.000	0.000	2.000	0.000
Circulation Services Manager	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Total Library Services	24.125	26.250	25.250	25.250	0.000	25.250	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
<i>Traffic/Transportation Engineer</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>
Transportation Operations Engineer	1.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation Analyst	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	0.625	0.625	0.000	0.625	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
Senior Management Analyst	1.000	0.000	0.000	0.000	0.000	0.000	0.000
Environmental Program Administrator	0.000	1.000	1.000	1.000	0.000	1.000	0.000
Supervising Public Works Inspector	1.000	1.000	0.000	0.000	0.000	0.000	0.000
Transportation Manager	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Total Public Works	14.375	13.375	12.375	11.375	-1.000	11.375	0.000



2011-13 Adopted Budget
Authorized Positions
Regular Positions/Full-Time Equivalents (FTE)



Eliminated Positions
Changes to Classification
Re-organization

Department	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Adopted	FY 2011/12 Adopted	Change from Prior Year	FY 2012/13 Adopted	Change from Prior Year
Public Services							
<i>Assistant City Manager/Director of Public Services</i>	0.000	0.000	0.000	1.000	1.000	1.000	0.000
<i>Director of Public Services</i>	1.000	1.000	1.000	0.000	-1.000	0.000	0.000
Public Services Admin Manager	1.000	0.000	0.000	0.000	0.000	0.000	0.000
Emergency Services Manager	0.000	1.000	1.000	1.000	0.000	1.000	0.000
Public Services Operations Manager	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Sr Public Svcs Contracts Administrator	6.000	5.000	4.000	4.000	0.000	4.000	0.000
Public Services Supervisor	4.000	4.000	5.000	5.000	0.000	5.000	0.000
Public Svcs Contracts Administrator	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Facilities Maintenance Superintendent	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Custodian	2.000	2.000	2.000	2.000	0.000	2.000	0.000
<i>Senior Department Assistant</i>	1.000	1.000	2.000	3.000	1.000	3.000	0.000
<i>Management Analyst</i>	0.000	0.000	1.000	0.000	-1.000	0.000	0.000
<i>Administrative Assistant</i>	1.000	1.000	1.000	0.000	-1.000	0.000	0.000
Animal Services Volunteer Coordinator	0.750	0.750	0.750	0.750	0.000	0.750	0.000
Animal Services Assistant	4.000	4.000	4.000	4.000	0.000	4.000	0.000
Animal Services Manager	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Senior Animal Services Officer	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Animal Services Officer	3.500	3.500	3.500	3.500	0.000	3.500	0.000
Animal Services Licensing Representative	1.500	1.500	1.500	1.500	0.000	1.500	0.000
Animal Services Supervisor	1.000	1.000	1.000	1.000	0.000	1.000	0.000
Department Assistant	2.000	2.000	0.000	0.000	0.000	0.000	0.000
Total Public Services	33.750	32.750	32.750	31.750	-1.000	31.750	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
<i>Community Services Coordinator</i>	5.750	5.750	5.750	5.625	-0.125	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>	10.975	10.350	9.350	8.800	-0.550	8.800	0.000
Community Services Supervisor	5.750	4.000	4.000	4.000	0.000	4.000	0.000
Community Services & Senior Center Administrator	1.000	1.000	1.000	1.000	0.000	1.000	0.000
<i>Sr Department Assistant</i>	1.750	1.750	1.000	0.800	-0.200	0.800	0.000
<i>Department Assistant</i>	2.625	2.625	2.625	3.500	0.875	3.500	0.000
Management Analyst	1.000	1.000	0.000	0.000	0.000	0.000	0.000
<i>Senior Management Analyst**</i>	1.000	1.000	0.750	0.000	-0.750	0.000	0.000
Total Recreation & Community Services	33.850	31.475	28.475	27.725	-0.750	27.725	0.000
To Be Determined, in FY 2012/13 there are an additional 3.0 - 4.0 FTE proposed to be eliminated ==>						136.350	-3.000
GRAND TOTAL	156.175	150.350	144.100	139.350	-4.750	135.350	-4.000

**0.25 FTE reduction effective July 1, 2011; 0.75 FTE reduction effective January 1, 2012



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.

Capital Projects Funds

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition and construction of major capital facilities.

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 only two enterprise funds --- for animal services and the joint venture 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



CITY OF MISSION VIEJO *Accounting System and Internal Controls*



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.

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. For the City's Mission Viejo Television Fund, expenses are budgeted based on the total expected obligations expected to be incurred. Depreciation is not budgeted and capital outlay is budgeted. In the City's Animal Services Fund, 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 2010/11 assessed valuation per the County of Orange, Auditor/Controller. As the table shows, if the city chose to, it could incur more than \$493 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 2010/11*	\$ 13,157,979,198
Adjusted Assesed Valuation (x 0.25)	\$ 3,289,494,800
Legal Debt Limit -- 15% of Adjusted Assesed Valuation	\$ 493,424,220
Amount of Debt Applicable to Limit	\$ -
Legal Debt Margin	\$ 493,424,220
Percent of Legal Debt Limit Utilized	0%

**This figure from Orange County Auditor/Controller, "Assesed Valuations" table*

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 2011-13 budget period.

Outstanding Bond Issues

In keeping with the tradition of prudent fiscal management, the City recently defeased (i.e., re-financed) two of its outstanding bond issues: the 1996 Certificates of Participation (COPs) which were issued to partially finance the construction of the City’s library, and the 2001 Lease Revenue Bonds, used to fund construction of City Hall and the library expansion.

The new debt issue combined the outstanding balances of the 1996 COPs and 2001 Lease Revenue Bonds into a new debt issuance: the 2009 Series A Lease Revenue Bonds. This action will save the City – and most significantly the General Fund – approximately \$275,000 over the remaining life the loan. What is significant about this action is that the majority of these savings will occur in the near-term, which has greatly assisted in the City’s budget balancing efforts for 2011-13.

Debt service on the 2009 Series A bonds is \$1,241,363 in FY 2011/12, and \$1,303,363 in FY 2012/13. These payments comprise 2.6% and 2.7% of General Fund revenue in FY 2011/2 and FY 2012/13, respectively. From FY 2013/14 until the loan is paid off in FY 2030/31, debt service payments are approximately \$1.35 million annually.

There are three additional outstanding bond issues – two relate to the financing of public parking improvements at the “Shops at Mission Viejo,” and the third is a refunding issue of assessment district bonds. 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, 2011, \$25.03 million of these bonds was 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 \$1,067,000 in excess project revenues will be returned to the City's General Fund during 2011-13 (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, 2009, the outstanding principal was \$7.3 million and the unpaid interest was \$1.0 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				
	CDFA**		General Fund	
Year Ending June 30	1999 Series A Revenue Bonds*	1999 Series C Revenue Bonds	2009 Series A Lease Revenue Bonds	Total
2012	\$ 1,012,484	\$ 424,565	\$ 1,241,363	\$ 2,678,412
2013	\$ 1,011,950	\$ 423,418	\$ 1,303,363	\$ 2,738,730
2014	\$ 1,111,450	\$ 426,193	\$ 1,361,863	\$ 2,899,505
2015	\$ 1,110,900	\$ 422,953	\$ 1,356,113	\$ 2,889,965
2016	\$ 1,110,378	\$ 423,600	\$ 1,354,113	\$ 2,888,091
2017	\$ 1,209,800	\$ 423,080	\$ 1,362,313	\$ 2,995,193
2018	\$ 1,209,200	\$ 421,275	\$ 1,357,063	\$ 2,987,538
2019	\$ 1,308,600	\$ -	\$ 1,355,313	\$ 2,663,913
2020	\$ 1,307,972	\$ -	\$ 1,356,813	\$ 2,664,784
2021	\$ 1,407,300	\$ -	\$ 1,351,313	\$ 2,758,613
2022	\$ 1,506,600	\$ -	\$ 1,358,569	\$ 2,865,169
2023	\$ 1,505,850	\$ -	\$ 1,348,169	\$ 2,854,019
2024	\$ 1,605,114	\$ -	\$ 1,361,769	\$ 2,966,883
2025	\$ 1,604,300	\$ -	\$ 1,358,769	\$ 2,963,069
2026	\$ 1,603,500	\$ -	\$ 1,353,519	\$ 2,957,019
2027	\$ 1,702,700	\$ -	\$ 1,361,019	\$ 3,063,719
2028	\$ 1,801,855	\$ -	\$ 1,130,519	\$ 2,932,374
2029	\$ 1,900,479	\$ -	\$ 1,134,613	\$ 3,035,091
2030	\$ -	\$ -	\$ 1,135,513	\$ 1,135,513
2031	\$ -	\$ -	\$ 1,136,700	\$ 1,136,700
	\$ 25,030,432	\$ 2,965,083	\$ 26,078,782	\$ 54,074,296
Lease Amount Representing Interest	\$ (130,432)	\$ (495,083)	\$ (9,368,782)	\$ (9,994,296)
Outstanding Principle	\$ 24,900,000	\$ 2,470,000	\$ 16,710,000	\$ 44,080,000

**Debt service requirements to maturity are based on the interest rate in effect as of June 30, 2011. The interest rate is currently 0.05%, 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.*

The third bond issue, the 1999 Series C bonds, are fixed-rate bonds secured solely by the revenue stream from underlying Special Tax Refunding Bonds, which the City's Community Development Financing Authority (CDFA) owns in their entirety. These bonds in turn are secured by special taxes paid by the commercial property owners in Community Facilities District (CFD) No. 92-1 (the "Mission Viejo Freeway Center" located at Crown Valley Parkway and Interstate 5). The City is not obligated in any way for these bonds. As of June 30, 2011, \$2.97 million was outstanding.



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 ADMINISTRATIVE COSTS REVOLVING FUD (Fund 109) – Used to accumulate charges to, and revenues received from, the Community Development Agency (CDA) for CDA 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.

FOOTHILL CIRCULATION PHASING PROGRAM (FCPP) (Funds 216) – Used to account for the receipt and expenditure of funds from the County of Orange under an agreement by which the City makes certain intersection improvements as part of the County's Foothill Circulation Phasing Program.



CITY OF MISSION VIEJO
Descriptions of Individual Funds



GAS TAX FUNDS (Fund 211) – 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.

LADERA FUNDING (Fund 249) – The Rancho Mission Viejo Company is building Ladera Ranch, a new planned development community east of Mission Viejo. At build-out, this community will consist of approximately 8,000 dwelling units and will impact Mission Viejo's road system. Under agreement with the Rancho Mission Viejo Company, funding is being provided to the City to fund the cost of widening Crown Valley Parkway (the main access route through the City from Interstate 5 to Ladera) and other roadway improvements in the City.

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 M2 SALES TAX APPORTIONMENT (Fund 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 developer fees from Shea Homes (formerly the Mission Viejo Company) to fund new park development associated with the approval of additional housing units.

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 participate 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-High Occupancy Vehicle (Fund 227)



CITY OF MISSION VIEJO
Descriptions of Individual Funds



- Measure M-Intersection (Fund 228)
- Measure M-Regional Interchange (Fund 229)
- Measure M-Signal (Fund 230)
- Measure M-Transportation Demand/System Management (Fund 232)
- Measure M-Transit Projects (Fund 233)
- Measure M-Arterial Capacity Enhancement (ACE) (Fund 272)

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:

- Petroleum Violation Account (Fund 231)
- Federal Regional Surface Transportation Program (RSTP) (Fund 234)
- State-Local Transportation Partnership Program (Fund 236)
- Transportation Control Measure Funding Program (Fund 238)
- State Transportation System Management (TSM) (Fund 239)
- Federal Highway Administration (Fund 242)
- Transportation Equity Act – ISTEA (Fund 243)
- Recreational Trails Program – State Parks and Recreation (Fund 252)
- Arterial Highway Resurfacing Program (AHRP) – Federal (Fund 253)
- 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)

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.

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.

USED OIL RECYCLING BLOCK GRANT (Fund 244) – Used to account for the receipt and expenditure of funds received from the State under a block grant program that are restricted for use by the City to assist with and promote the recycling of used oil.

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



CITY OF MISSION VIEJO
Descriptions of Individual Funds



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.

CAPITAL PROJECTS FUND GROUP:

The Capital Projects funds are used to account for the financial resources to be used for the acquisition and construction of major capital facilities.

MISSION VIEJO PUBLIC IMPROVEMENT CORPORATION – CHRISANTA ACQUISITION (Fund 457) – This fund was established in 1990 to account for the capital project to acquire an office building on Chrisanta Drive to serve as a City Hall facility. The project did not go forward and the bonds issued to finance the project were defeased in advance of their redemption in FY 2000-01. This fund was used to account for bond trustee and other administrative costs associated with the defeased bonds.

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.

DEMOGRAPHIC AND ECONOMIC INFORMATION

The 2010 census shows a population of approximately 93,505. The residents of the city have a median age of 44.2 years and per capital personal income is \$47,122. The median home value in Mission Viejo is \$430,000. In 2010 (latest year data is available) the City's three largest employers were Saddleback Community College, Mission Hospital Regional Medical Center, and Unisys Corporation. 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.

There are forty 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, and the Oso Creek Trail.

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*		93,505	
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*		44.2	

AREA IN SQUARE MILES	17.4
PARKS & COMMUNITY CENTERS	
Number of Parks	40
Acres of Parks/Open Space/Medians/Slopes Recreation and Community Centers	1,122
Baseball/Softball fields	8
Soccer/Football fields	19
	35
LAND USE	
Residential	66%
Recreation/Open Space	19%
Community Facility	6%
Commercial/Office	5%
Industrial	2%
Transportation Corridor	2%
HOUSING DATA	
Median Home Price	\$ 430,000
Total Number Housing Units	\$ 34,228
Median Household Income	\$ 82,690
Assessed Valuation*** (FY 2011/12)	\$13.226 billion

POLICE SERVICES (Orange County Sheriff Department)

Sworn personnel	58
Non-sworn personnel	9
Patrol Units	24
Number service calls	39,000

FIRE SERVICES (Orange County Fire Authority)

Stations	3
Commissioned personnel	48
Volunteer personnel	13
Number of Incidents (2010)	6,376

EMPLOYMENT^

Total Labor Force in Mission Viejo	53,900
Total Employed	50,100
Total Unemployed	3,800
Unemployment Rate	7.00%

MAJOR EMPLOYERS** (CAFR, 06/30/2010)

Saddleback College	2,196
Mission Hospital Regional Medical Center	1,349
Unisys Corporation	1,000
Coldwell Banker	410
Saddleback Valley Unified School District	400

SCHOOLS

Elementary	13
Secondary	7
Community College	1

*Data from State of California, Department of Finance. California State Data Center, 2010 Census Data

**Information from City of Mission Viejo Comprehensive Annual Financial Report (CAFR), 06/30/2010

***County of Orange, Auditor-Controller, Property Tax Accounting

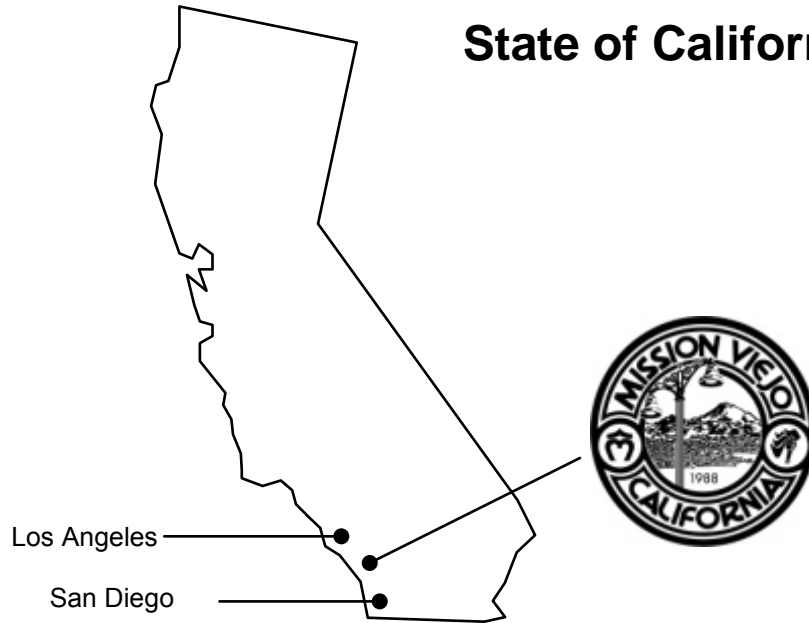
^State of California, Employment Development Department, Labor Market Information



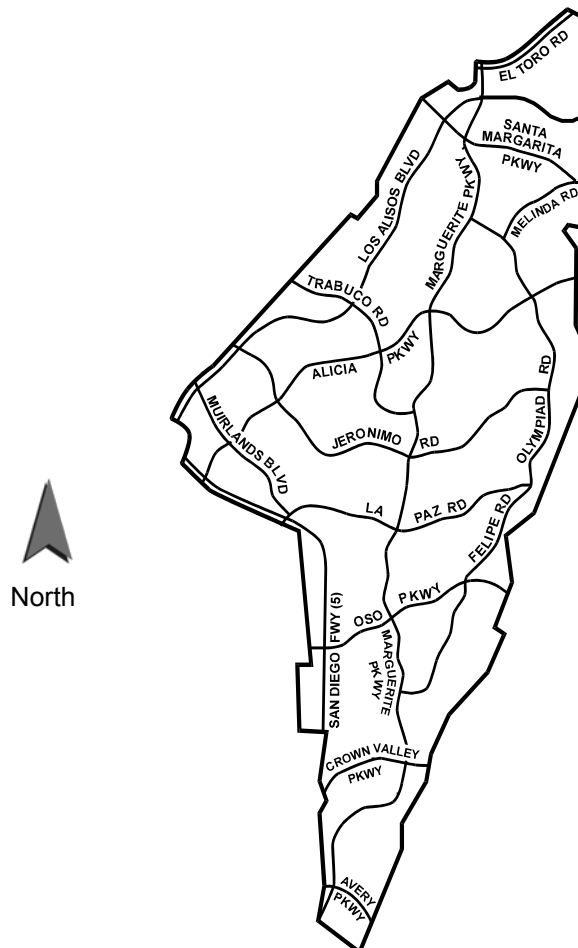
CITY OF MISSION VIEJO
Community at a Glance
and Selected Demographic Statistics



State of California



City of Mission Viejo





**CITY OF MISSION VIEJO
COUNCIL POLICY**



SUBJECT	RES. NO.	POLICY NO.	EFF. DATE	PAGE
MANAGEMENT AND BUDGET POLICIES	08-09	0300-8	7/31/92 7/6/04 8/15/05 8/21/06 10/1/07 2/4/08	1 of 11

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.

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

Total Discretionary Reserves

A. Total discretionary reserves are composed of reserve accounts of the General Fund and asset replacement funds (these three funds are also referred to as the General Fund group), included in Sections C, D, G, J and K of this policy. Total discretionary reserves will be maintained at a minimum level of 40% of General Fund group revenues and at a maximum level of 50% of General Fund group revenues. In the event of a conflict between the policies set forth in this section A. and those in sections B. through K. of this reserves policy, the policies in this section will generally take



**CITY OF MISSION VIEJO
COUNCIL POLICY**



SUBJECT	RES. NO.	POLICY NO.	EFF. DATE	PAGE
MANAGEMENT AND BUDGET POLICIES	08-09	0300-8	7/31/92 7/6/04 8/15/05 8/21/06 10/1/07 2/4/08	2 of 11

precedence. The City Council will be apprised by staff of such conflicts and the Council may direct which policy/policies should have priority.

General Fund

B. General Fund reserve accounts will be established in the budget 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.

C. Two General Fund reserve accounts will be established to address unforeseen occurrences or emergencies: the Contingency Reserve and the unappropriated fund balance. These reserve accounts will be reported as unreserved, undesignated fund balance in the City's annual audited financial statements.

1. A Contingency Reserve account will be maintained at a level of 15% of General Fund revenues, to address 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 unappropriated fund balance in the General Fund will be maintained at a level sufficient to provide adequate working capital and to accommodate required adjustments to other reserve accounts, including the reserves for advances to other funds, deposits and prepaid items.

D. The following designated reserve accounts will be established to set aside funds for particular purposes. These accounts will be reported as designated fund balance in the City's annual audited financial statements.

1. A Facility Rehabilitation/Replacement Fund Match Reserve will be maintained to serve as the primary source for the 50% matching requirement for the Facility Rehabilitation and Replacement Fund (defined under Reserve Section 2.O.)

2. A Retiree Insurance Program Reserve will be maintained to begin to accumulate resources for funding the City's Retiree Insurance Program at the actuarially determined level, in anticipation of the requirements of Governmental Accounting Standards Board Statement No. 45 which will be effective for the City beginning in FY 2008-09.

3. A Computer Software Replacement Reserve will be maintained 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.

4. A Capital Projects Reserve will be established to receive residual fund balance not apportioned to the other reserve accounts listed under Sections C and D of this policy. This reserve will be maintained 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.

E. Reserves for Encumbrances are established at the end of every fiscal year on the annual audited financial statements to restrict fund balances in amounts equal to contract or purchase order commitments. Fund balance



**CITY OF MISSION VIEJO
COUNCIL POLICY**



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designations for subsequent year expenditures are established at year-end on the annual audited financial statements for unencumbered appropriations proposed for carryover to the following year.

F. A set aside for competitive wage and benefit adjustments for City employees may be established within the annual operating budget. The purpose of this reserve is to set aside funds for the annual review of salary ranges and other compensation (see 6. A. and B. below) occurring after the adoption of the budget. The amount set aside in this reserve will be based on a review of previous years' compensation adjustments and the expected rate of inflation.

G. Other reserves, such as for cash flow, in the event that current cash flow needs exceed combined fund balances, or anticipated costs for service enhancements, will be established each fiscal year as needed.

H. Funding levels of all General Fund reserves will be reviewed during periods of economic stagnation to avoid reductions in operating service levels.

I. 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.

Asset Replacement Funds

J. A Computers, Equipment, Furnishings, and Vehicles (CEFV) Replacement Fund will be maintained as a separate fund for budgetary purposes, to fund the replacement costs of existing office equipment, vehicles, computers and office furnishings when they reach the end of their useful lives. This fund will be combined into the General Fund on the City's audited financial statements. The fund will be analyzed by staff every two years as part of the Master Financial Plan update process, for changes in assets, useful lives, estimated replacement costs, and appropriate funding level. This fund is to be maintained at a level sufficient to fund 100% of accumulated depreciation of the assets, based on estimated replacement costs.

K. A Facility Rehabilitation and Replacement Fund will be maintained as a separate fund for budgetary purposes, to fund the rehabilitation or replacement costs of existing City buildings, recreational facilities, and parks/sportfields fixtures when they reach the end of their useful lives. Rehabilitation and replacement costs shall 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. The fund will be analyzed by staff every two years as part of the Master Financial Plan update process, for changes in assets, useful lives, estimated replacement costs, and appropriate funding level. This fund is to be maintained at a level sufficient to fund 50% of accumulated depreciation of the assets, based on estimated replacement costs, including design and construction administration costs.

Other Funds

L. A minimum fund balance of 30% of estimated Gas Tax revenues, excluding those revenues resulting from the Orange County Transportation Authority (OCTA) Fund exchange agreement, for the current year will be set aside as a reserve for street repair emergencies and other unanticipated traffic safety projects.

M. 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.



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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.

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.



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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 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.



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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.

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.

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 survey will be conducted prior to January 1 with the goal of a January implementation. 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



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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.

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,



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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 threshold for establishing a separate CIP, and similar work is to take place at other location(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 \$15,000 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.

G. The City will actively pursue grant and other outside funding sources for all capital improvement projects.



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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.

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