

CITY OF COSTA MESA

**Fiscal Year 2010 – 2011
Fund Balance Update**

**City Council Study Session
April 26, 2011**

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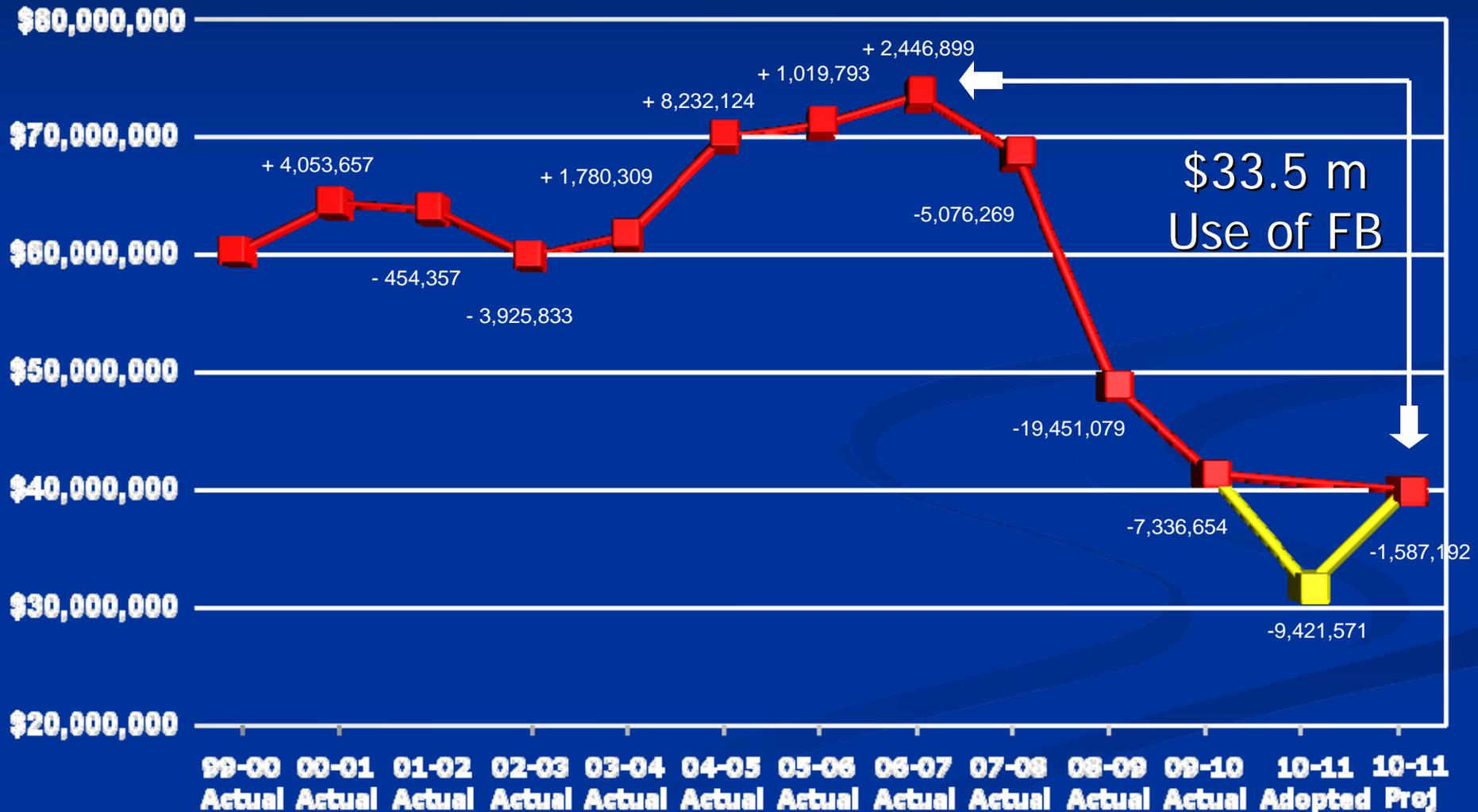
TABLE 3

CITY OF COSTA MESA, CALIFORNIA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Years									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General fund										
Reserved	14,818,438	14,213,621	13,579,931	15,225,005	15,227,236	14,744,220	18,326,310	18,036,166	15,140,564	14,421,676
Unreserved	49,362,775	49,532,133	46,239,990	46,375,225	54,605,118	56,192,948	55,057,757	48,200,281	33,716,155	27,098,389
Total general fund	64,181,213	63,745,754	59,819,921	61,600,230	69,832,354	70,937,168	73,384,067	66,236,447	48,856,719	41,520,065
All other governmental funds										
Reserved	14,275,069	13,193,096	9,686,539	12,496,295	12,565,629	12,561,311	26,378,785	23,188,662	10,576,691	9,357,430
Unreserved, reported in:										
Special revenue funds	11,153,965	14,149,407	22,738,847	17,411,372	16,637,291	18,233,112	20,625,152	1,914,632	13,042,672	14,952,556
Capital projects funds	9,793,205	12,106,657	17,782,526	13,443,518	8,349,839	8,730,735	15,128,023	25,222,527	15,638,912	10,780,360
Debt services funds	(81,636)	(14,410)	(13,160,320)	(12,732,031)	(12,226,674)	(11,783,729)	(11,002,058)	(10,400,263)	(9,579,072)	(10,136,674)
Total primary government net expense	35,140,603	39,434,750	37,047,612	30,619,154	25,326,083	27,741,429	51,129,902	38,925,338	29,699,203	24,933,672

Source: Fund Financial Statements

GENERAL FUND - FUND BALANCE TWELVE YEAR HISTORICAL



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CITY OF COSTA MESA, CALIFORNIA
Notes to the Basic Financial Statements
(Continued)

(11) Debt Without Government Commitment. (Continued)

In May 1997, the City issued \$11,815,000 Certificates of Participation (1997 Public Parking Refunding Project), consisting of \$9,765,000 of serial bonds and \$2,050,000 of term bonds. The serial bonds mature from December 1, 1997 through December 1, 2012 in annual principal payments ranging from \$85,000 to \$940,000 and bear an interest rate of 4.50% to 5.75%. The term bonds mature on December 1, 2014 and bear an interest rate of 5.80%. The certificates were issued to advance refund the remaining portion of the \$14,000,000 certificates of participation issued by the City in December 1984. The 1984 certificates were issued to finance the acquisition and construction of a public parking project at the Orange County Performing Arts Center. Both of these certificates are payable only from the assets of the Center Tower Associates, a California general partnership. The outstanding balance at June 30, 2010 was \$4,724,000.

(12) Fund Balances

The City has established the following fund balance reserves and designations at June 30, 2010:

	General	Low and Moderate Income Housing	Park Development Fees	Special Gas Tax	Home Program	Debt Service Redevelopment Agency	Nonmajor Governmental Funds
Reserved for:							
Encumbrances	\$ 68,606	-	-	538,052	-	-	1,131,245
Prepaid items/loan deposits	33,425	-	-	-	-	-	454,142
Inventories	38,233	-	-	-	-	-	-
Advances to other funds	14,281,412	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	7,233,991
Total Reserved	14,421,676	-	-	538,052	-	-	8,819,378
Unreserved:							
Designated for working capital	14,125,000	-	-	-	-	-	-
Designated for self insurance	2,895,045	-	-	-	-	-	-
Designated for accrued compensated absences (75%)	4,724,270	-	-	-	-	-	-
Designated for Police Retirement 1% Supplemental	2,624,382	-	-	-	-	-	-
Designated for other post employment benefits	1,407,942	-	-	-	-	-	-
Designated for FY 10-11 operating budget	1,321,750	2,538,906	(2,100,483)	9,366,444	(62,111)	(10,136,674)	15,790,160
Total Unreserved	27,028,389	2,538,906	(2,100,483)	9,366,444	(62,111)	(10,136,674)	15,790,160
Total Fund Balance	41,450,065	2,538,906	(2,100,483)	10,104,496	(62,111)	(10,136,674)	24,609,538

The following governmental funds had deficits at June 30, 2010:

Major Funds:	
Redevelopment Agency Fund	\$(10,136,674)
Home Fund	(62,111)
Parkway Development Fees Fund	(2,100,483)
Nonmajor Funds:	
Special Revenue Funds:	
Rental Rehabilitation Program	(40,578)
Local Law Enforcement Block Grant Fund	(142)
Homelessness Prevention Fund	(29,669)

FY 09-10 Fiscal Year End

• Reserved	\$ 14.4 million
• Unreserved but designated	27.1 million
• Unreserved undesignated	<u>0.0 million</u>
FY 09-10 Ending Fund Balance	<u><u>\$ 41.5 million</u></u>

FY 09-10 Fiscal Year End

Reserved Fund Balance:

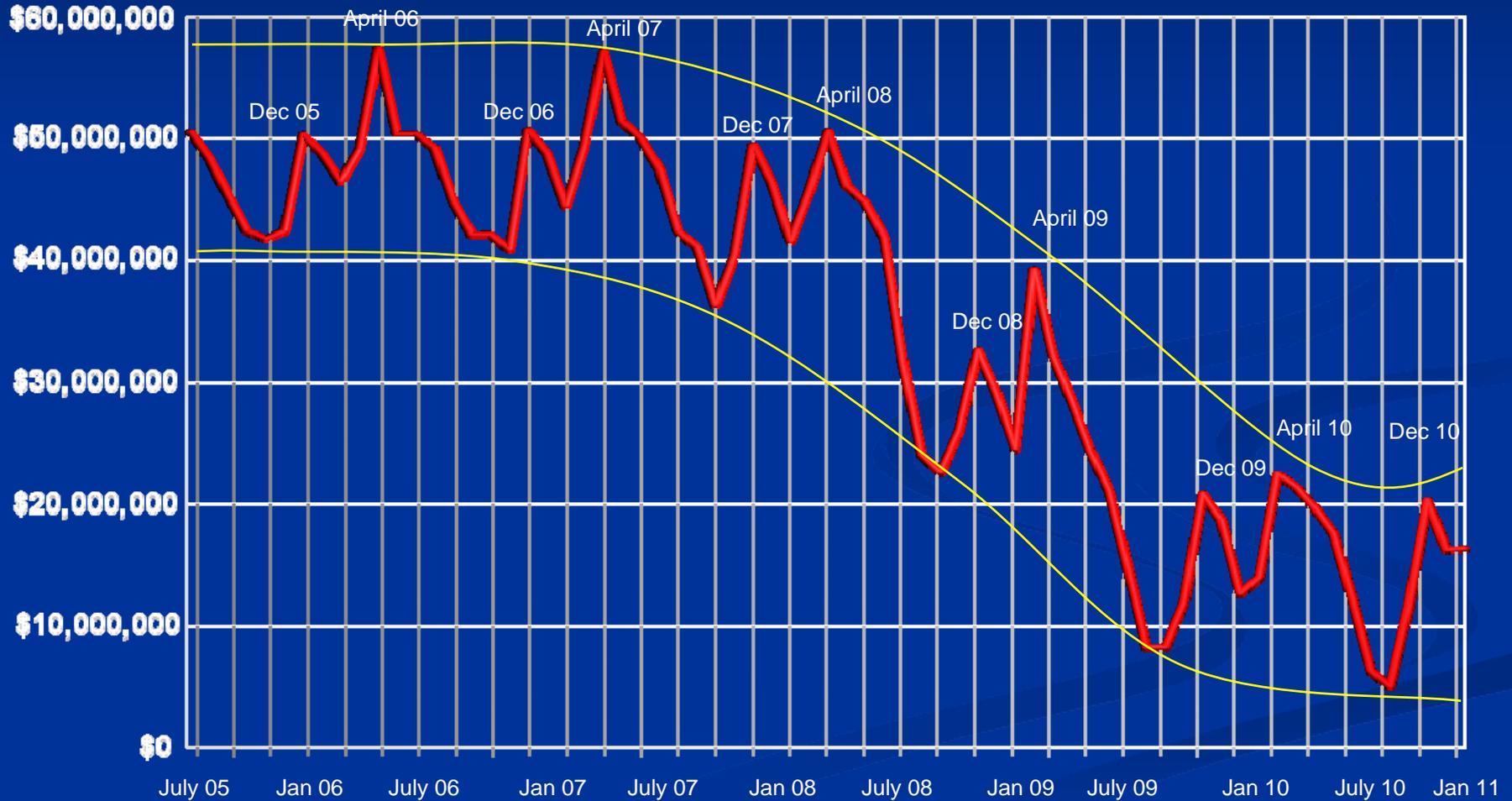
• Encumbrances	\$ 68,606
• Prepaid items/loan deposits	33,425
• Inventories	38,233
• Advances to other funds	<u>14.3 million</u>
Total Reserved Fund Balance	<u><u>\$ 14.4 million</u></u>

FY 09-10 Fiscal Year End

Unreserved but designated:

• Des. for Working Capital	\$ 14.125 m
• Des. for Self Insurance	2.9 m
• Des. for Acc. Comp. Absences	4.7 m
• Des. for Police Ret. 1% Supp.	2.6 m
• Des. For Other Post Employ Benefits	1.4 m
• Des. For FY 10-11 Operating Budget	1.3 m
Total Unreserved but Designated	<u>\$ 27.1 m</u>

GENERAL FUND - CASH BALANCE SIX YEAR HISTORICAL



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