

Lake Mission Viejo

ASSOCIATION

NEWSLETTER

NOVEMBER 2016

STATE OF THE LAKE 2016

Kevin Pennington, President

Wow, what a year! As 2016 winds to a close, we take a pause from the whirlwind of activity to reflect on the challenges we were faced with a year ago, the commitments we made, and the results which have been achieved.

First, let's take a look at where we were a year ago. As we prepared to close the books on 2015, we found ourselves in a state of very cautious optimism as it related to our plan to address the golden algae and the water supply issues. **Fast forward to today, and we have completed the year without an outbreak of golden algae. In fact, our continued testing of the waters has reflected consistently low, sometimes undetectable, levels of the algae.** We've enjoyed some of the greatest water clarity in the lake's history, and our swimmer's itch reports have been at a record low. Of course, we remain vigilant in our monitoring of the issue, as it will continue to be a reality which must be managed well. **Our fish restocking has been a continued success, the fishermen have returned to the lake, and they are a welcomed sight.**

Additionally a year ago, we were diligently working toward the completion of a plan to deliver the innovative Advanced Purified Water to our Lake, in an effort to both stabilize our Lake fill supply and be environmentally responsible. **As you read this now, a year later, we have now held our dedication ceremony for the new APW facility, which is officially online and delivering water to our Lake.** We couldn't be more proud of the effort that was put forth by all parties to accomplish this goal. Our staff, our delegates, our vendors, our partners at the SMWD, the City of Mission Viejo, and other entities have all joined together to achieve a truly ground-breaking success.

In last year's State of the Lake, we committed to six specific goals for 2016, a couple of which are referenced above, but the full list is below.

- **The continued re-establishment of our fishery – successfully being implemented.**
- **The fruition of our water sourcing efforts as the APW facility comes online – complete.**
- **Continued improvements to our building infrastructure as parking in accordance with our long range plan – under active planning and review.**
- **Enhanced landscape renovations to both beautify the facilities and ensure environmental consciousness – North Beach lot complete, additional projects under review.**
- **An increased resource commitment to our concert series as well as the exploration of a myriad of other recreational enhancement ideas – additional resources committed, enhancements identified and approved for implementation.**
- **A refreshed and re-invented community website to provide easier, more dynamic and informative interaction, as we continue our efforts to connect with the community – ebsite currently being re-designed, with roll-out expected shortly.**

We hope that you share our excitement over the progress that has been made on the goals above, and we are committed to seeing them through to completion as we enter into 2017. However, we don't believe that we'll be done there. As our community and facilities continue to age, we are arriving at a stage in our landscaping lifecycle whereby a significant portion of our plant material is due for replacement. While this of course will be viewed through the lens of water conservation, as we continue to convert to recycled water usage for landscape and lean toward more drought-tolerant landscape palettes, we also endeavor to derive a refreshed look for the Lake facilities with great aesthetic enhancements for all to enjoy.

Although the Association remains financially healthy, at nearly 100% funded in our reserve accounts, we must look to the realities of our future as an organization. Both the inside influences such as large scale landscape renovations, and the outside influences such as the significant climb in minimum wage over the next several years create the very real need to identify additional revenue to sustain our Lake facilities and protect our ability to enjoy our wonderful amenities while keeping them relevant. To that end, you will see a nominal increase in 2017 in the annual assessment of just over \$1.00 per month. As assessment paying members ourselves, the Board makes every effort to limit increases where possible. However, we have a fiduciary obligation to ensure that the organization remains financially healthy in the face of increasing costs.

Looking forward to 2017, we are both confident and enthusiastic as we emerge successful in having dealt with two significant challenges, and turn our focus and energies to the more pleasant and visible projects of enhancing the facilities, the landscape, and the activities which our members count on at Lake Mission Viejo. The Board encourages you to attend our monthly meetings, on the second Tuesday of each month and held at 7:00 pm in the Lake Administration Building at North Beach.

TAIL WALKER TROUT ON TAP FOR OPENING DAY

- **6:00 am, Saturday, November 19**
- **8,000 pounds of Ruby Red Rainbow Trout from Chaulk Mound Trout Farms**
- **Visit www.lakemissionviejo.org for fishing updates**

THE 2017 LMVA BUDGET AND 2016 RESERVE STUDY

Please find your copy of the 2017 LMVA Budget and 2016 Reserve Study on pages two and three of this LMVA Newsletter. For your information, the following notes are presented in conjunction with these financial reports.

Notes to the 2017 LMVA Budget and 2016 Reserve Study

1. The budget is an estimation of revenues and expenses prepared by the Board of Directors for 2017. A complete copy of the 2017 Budget is available to all members upon written request to the Lake Mission Viejo Association business office.
2. The 2016 Reserve Study is prepared by a professional consultant each year and is a detailed inventory of LMVA's major assets and serves as a management tool for scheduling, coordinating and planning future repairs and replacements. This report fulfills the Board of Director's legal and fiduciary obligation for maintaining the community assets in a state of good repair.
3. The Board of Directors has determined through the budget process and Reserve Study that the replacement reserve account is appropriately funded and does NOT anticipate a need to levy any type of special assessment to repair, replace or restore any major component within the community under normal circumstances.
4. Reserve expenses are major expenses that occur other than annually and which must be budgeted for in advance in order to provide the necessary funds in time for their occurrence. In preparing the report, the reserve assets are identified and quantified. Their respective replacement costs, useful lives and remaining lives must be assigned so that a funding schedule can be constructed. Replacement costs and useful lives can be found in published manuals such as construction estimators, appraisal handbooks and valuation guides. Remaining lives and ages of assets are adjusted according to the conditions such as design, manufacture quality, usage, exposure to the elements and maintenance history. Certain calculations must be performed on the compiled data in order for the study to take on practical meaning. The calculations determine the replacement cost of living changes in addition to efficient distribution of the accumulated reserves.

PARADE OF LIGHTS LOTTERY

Members interested in participating in the 39th Annual "Parade of Lights" on Saturday, December 3rd, should contact the Lake Services Department at (949) 770-1313, ext. 200, by Friday, November 4th. A limited number of power inverters are available on a first-come, first-served basis. Party boat reservations will be granted by lottery. Get your name on the lottery list now!

Lake Mission Viejo Association Assessment and Reserve Funding Disclosure Summary • For the fiscal year ending December 31, 2017 ("Disclosure Summary")

The notes at the end of this Disclosure Summary should be read in conjunction with the information provided.

- The regular assessment for the 2017 fiscal year per ownership interest is \$124.00 every 6 months due January 1st and July 1st.

Note Waterfront property owners will be charged an additional assessment every six (6) months, over and above the \$124.00 regular assessment of \$2.47 per foot of lakefront associated with their property.

- Additional regular or special assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the association's Board of Directors (the "Board") and/or members:

Date assessment will be due	Amount per ownership interest per month or year (If assessments are variable, see note immediately below)	Purpose of the assessment
N/A		

Total _____

Note If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page _N/A_ of the attached report.

- Based upon the most recent reserve study, dated September 13, 2016, and other information available to the Board of Directors, will currently projected reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years?

Yes X No _____

- If the answer to #3 is "no," what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years that have not been approved by the Board or the members?

Approximate date assessment will be due	Amount per ownership interest per month or year
N/A	

Total _____

- All major components are included in the reserve study and are included in its calculations. However, the following major assets are excluded from the reserve study calculations for the following reasons:

Major asset	Reason this major asset was not included
Large copy machine	Unit is leased; covered by operating budget
Dam	Indeterminate life and cost

- Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is **\$5,534,315**, based in whole or in part on the last reserve study or update prepared by Advanced Reserve Solutions, Inc. as of January 1, 2017. The projected reserve fund cash balance at the end of the current fiscal year is **\$5,522,065**, resulting in reserves being **100%** funded at this date. The current deficiency in the reserve fund represents **\$0.50** per ownership interest.

- Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the Civil Code, a reserve funding plan has been developed – see the attached projections. The assumed long-term before-tax interest rate earned on reserve funds is **0.0%** per year and the assumed long-term inflation rate applied to major component repair and replacement costs is **2.0%** per year. **Full reserve study available upon request.**

Notes (A) The financial representations set forth in this summary are based on the best estimates of the preparer and the Board at that time. The estimates are subject to change. (B) For the purposes of understanding this Disclosure Summary: (1) "Estimated remaining useful life" means the time reasonably calculated to remain before a major component will require replacement. (2) "Major component" has the meaning used in Section 55530. Components with an estimated remaining useful life of more than 30 years may be included in the study as a capital asset or disregarded from the reserve calculation, so long as the decision is revealed in the reserve study report and reported in the Assessment and Reserve Funding Disclosure Summary. (3) The form set out in subdivision (a) shall accompany each annual budget report or summary thereof that is delivered pursuant to Section 5300. The form may be supplemented or modified to clarify the information delivered, so long as the minimum information set out in subdivision (a) is provided. (4) For the purpose of the report and summary, the amount of reserves needed to be accumulated for a component at a given time shall be computed as the current cost of replacement or repair multiplied by the number of years the component has been in service divided by the useful life of the component. This shall not be construed to require the Board to fund reserves in accordance with this calculation. (5) Based on reserve studies or the occurrence of one or more unanticipated events, the Board could increase regular assessments and/or levy special assessments, consistent with the provisions of the CC&Rs and applicable law, to fund additional reserves as it deems necessary. For example, the information contained in this Disclosure Summary includes (i) estimates of replacement value and life expectancies of the components and (ii) assumptions regarding future events. Estimates are projections of a future event based on information currently available and are not necessarily indicative of the actual future outcome. The longer the time period between the estimate and the estimated event, the more likely the possibility of error and/or discrepancy. For example, some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the preparation of this Disclosure Summary. Therefore, the actual replacement cost and remaining life may vary from this report and summary and the variation may be significant. Additionally, inflation and other economic events may impact this report and summary, particularly over an extended period of time (such as thirty (30) years) and those events could have a significant and negative impact on the accuracy of this Disclosure Summary and, further, the funds available to meet the association's obligation for repair and/or replacement of major components during their estimated useful life.

2017 Budget

OPERATING REVENUES

3010	Membership Assessments	\$	6,064,716
3015	Lake Frontage Fees	\$	58,296
3020	Boat Storage Fees	\$	93,000
3025	Boat Rentals	\$	415,008
3030	Retail Merchandise Sales	\$	50,080
3035	Passes and Permits	\$	174,091
3038	Facility Usage Fees	\$	110,117
3040	Snack Bar Sales	\$	2,800
3043	Vending Machine Sales	\$	2,300
3050	Revenue – Other	\$	460,000
3055	Member Services Revenue	\$	12,500
3060	Interest Income	\$	42,606
3070	Contract Programs	\$	16,000
3080	Recreation – Revenue	\$	70,000
3093	Special Events – Revenue	\$	41,000
3095	Concerts – Revenue	\$	60,000
	Total Revenues		\$ 7,672,514

COST OF SALES

4010	Sales Office Cost of Sales	\$	37,560
4020	Contract Programs Cost of Sale	\$	1,100
4050	Recreation Cost of Sales	\$	25,200
	Total Cost of Sales		\$ 63,860

GROSS MARGIN \$ 7,608,654

OPERATING EXPENSES

5001	Full Time Payroll	\$	1,562,095
5007	Part Time Payroll	\$	1,253,413
5009	Overtime Wages	\$	18,200
5010	Group Insurance	\$	465,300
5011	Payroll Expenses	\$	300,155
5012	401(k)	\$	70,500
5013	Workers Comp	\$	190,550
5014	Employee Relations	\$	21,100
5015	Employee Development	\$	21,000
5016	Human Resources	\$	19,535
5020	Vehicle Expenses	\$	5,000
5022	Gasoline Bulk Purchases	\$	18,000
5023	Travel	\$	2,250
5024	Office Supplies	\$	18,500
5025	Subscriptions and Dues	\$	7,500
5026	Printing	\$	91,900
5028	Membership Supplies	\$	11,400
5030	Telephone	\$	36,840
5031	Electricity/Gas	\$	85,000
5032	Water Drinking and Irrigation	\$	78,000
5044	Uniforms and Laundry	\$	17,655
5045	Contract Services	\$	265,648
5050	Postage and Freight	\$	91,568
5051	Insurance	\$	198,776
5052	Title / Recording Fees	\$	5,800
5053	Licenses	\$	28,000
5054	Property Taxes	\$	2,250
5059	Legal and Auditor Fees	\$	98,000
5062	Professional Fees	\$	62,000
5064	Concerts	\$	510,000
5065	Special Events	\$	147,000
5066	Computer Expense	\$	86,310
5069	Admin. Bank Charges	\$	40,115
5071	Lifeguard Supplies and Equipment	\$	25,000
5075	Fish Stocking	\$	253,280
5076	Water Quality and Lab Testing	\$	31,915
5077	Water Lake Refill	\$	562,958
5078	Water Quality Maintenance	\$	13,100
5079	Landscape Extras	\$	49,500
5080	Landscape Maintenance	\$	215,384
5081	Parking Lot Maintenance	\$	4,200
5082	Power Boat Maintenance	\$	4,000
5083	Rental Fleet Maintenance	\$	43,000
5084	Maint. Supplies & Repairs	\$	22,000
5085	Sanitation Supplies	\$	16,210
5086	Dock Maintenance	\$	17,000
5087	Structure Maintenance	\$	33,250
5088	Hardscape Maintenance	\$	29,950
5092	Long Term Replacement	\$	647,995
5095	Miscellaneous Expenses	\$	6,920
5098	Bad Debts	\$	24,000
5099	(Over)/Short-Sales Office/Snack	\$	500
7001	Retained Earnings	\$	(220,868)

Total Operating Expenses \$ 7,608,654

NET INCOME (LOSS) \$ -

Retained earnings will be used to offset 2017 operating deficit.

Annual Policy Statement

The name and address of the person designated to receive official communications to the Lake Mission Viejo Association is the General Manager on behalf of:

Lake Mission Viejo Association
22555 Olympiad Road, Mission Viejo, CA 92692

California Civil Code permits the Association to provide General Notices to the membership via newsletter, billing statement messages, or posting in a prominent location.

Effective November 1, 2014, if LMVA chooses to post notices, they will be located at 22555 Olympiad Road, Mission Viejo, CA 92692 on the bulletin board in the main breezeway adjacent to the Administration building. If you would like all notices, including general notices, to be sent to you by individual delivery, please notify the association's general manager in writing at the address referenced above. Members may submit a request in writing to have notices sent to up to two different specified addresses of their choice.

Members have the right to receive copies of meeting minutes. Please notify the association's general manager in writing at the address referenced above. The minutes, proposed minutes, or summary minutes shall be distributed to any member upon request and upon reimbursement of the association's costs for making that distribution.

Overnight payment of association assessments may be mailed to the address referenced above (Attention Billing Dept).

Any construction within the 15 foot drainage easement area surrounding LMV is subject to an LMVA architectural review and must not compromise the swale's drainage configuration. Only homeowners of single-family, lakefront lots may be granted an easement, by the LMVA Management Committee, to construct one (1) dock anchored to the shoreline. Architectural plans for docks may be submitted to the LMVA Management Committee for approval.

LMVA Open Thanksgiving Day

LMVA facilities will be open 8:00 am-10:00 pm on Thanksgiving Day, November 24. All LMVA rental boats will be available at regular fees. The Boat Rental Office will be open from 8:00 am-3:00 pm. The last boat will be rented at 2:00 pm and must be back in to the dock by 3:00 pm. Our Board of Directors and Staff wish all LMVA families a safe and joyous holiday season.

LMVA Delinquency Collection Procedures

The following is a statement of the LMVA Delinquent Collection Procedures for the collection of delinquent member assessments and related charges and other costs owed to the Association. Membership assessments are due each January 1 and July 1. These assessments are delinquent 30 days past each due date.

- Assessments not paid within thirty (30) days from the due date shall be subject to a late charge of \$5.00.
- Delinquent members shall be charged six (6) percent interest per annum starting at the due date. (January 1 or July 1 on the assessment balance).
- Written notice shall be mailed relative to all delinquent accounts past due 30, 60 and 90 days.
- Any account more than 90 days past due will be transferred to the Association's collections attorney for further collection actions and legal proceedings as deemed appropriate.
- The Board may bring a lawsuit to enforce any assessment obligations. Any judgment rendered shall include delinquent assessments, late charges and interest along with reasonable attorney's fees and court costs. The delinquent member will also be responsible for any costs related to the enforcement of the judgment.

Civil Code, Section 5975 / Enforcement of Governing Documents

Prior to either the Association or a member of the Association filing a lawsuit for Declaratory Relief of Injunction Relief, either exclusively or in conjunction with a claim for monetary damages not to exceed \$5000 (other than Association Assessments), the parties shall endeavor to submit the matter to Alternative Dispute Resolution prior to filing the law suit. Failure by any member of the Association to comply with the pre-filing requirements of Section 5975 of the Civil Code may result in the loss of your rights to sue the Association or another member of the Association regarding enforcement of the governing documents.

2016 Executive Summary

Lake Mission Viejo Association Executive Summary • Directed Cash Flow Calculation Method

Client Information

Account Number	01106
Version Number	7
Analysis Date	09/13/2016
Fiscal Year	1/1/2017 to 12/31/2017
Number of Units	24,400
Phasing	1 of 1

Global Parameters

Inflation Rate	2.00 %
Annual Contribution Increase	3.45 %
Investment Rate	0.00 %
Taxes on Investments	0.00 %
Contingency	5.00 %

Community Profile

The North Beach facility (NB), including the administration building and maintenance area, was annexed to the association during 1978. The East Beach facility (EB) was constructed during 1985. The North Beach Clubhouse was constructed in February 2004.

Many of the components in this analysis have been replaced. Whenever possible, we have used the exact month and year of replacement for the placed-in-service date. When this information was not available, we have used the January of the year in which an item was replaced.

ARS site visits: May 20, 2015; May 2012 and July 2009

Adequacy of Reserves as of January 1, 2017

Anticipated Reserve Balance	\$5,522,065.00
Fully Funded Reserve Balance	\$5,534,315.24
Percent Funded	99.78%

Recommended Funding for the 2017 Fiscal Year

	Annual	Monthly	Per Unit Per Month
Member Contribution	\$647,995	\$53,999.58	\$2.21
Interest Contribution	\$0	\$0.00	\$0.00
Total Contribution	\$647,995	\$53,999.58	\$2.21

Membership Disclosure Summary • Sorted by Category

Major Reserve Components	Current Cost	Assigned Reserves	Remaining Life Range	Useful Life Range
010 Automobile	\$ 276,650	\$ 223,782	1-8	10-24
020 Carpeting/Flooring	\$ 53,662	\$ 16,436	1-20	5-20
030 Small Equipment	\$ 231,907	\$ 189,338	0-4	1-17
040 Snack Bar Equipment	\$ 138,915	\$ 100,934	0-17	10-40
050 Asphalt	\$ 1,051,122	\$ 344,038	2-14	3-41
060 Boats	\$ 508,210	\$ 334,074	0-8	1-30
070 Boat Motors	\$ 88,475	\$ 63,414	0-4	2-5
080 Tractors	\$ 78,190	\$ 55,597	0-4	5-10
090 Sand	\$ 161,400	\$ 161,400	0	7
100 Mini Trucks/Carts	\$ 108,715	\$ 94,304	0-2	5-10
110 Maintenance Equipment	\$ 367,160	\$ 209,284	0-15	6-30
120 Fencing, Railing & Gates	\$ 853,559	\$ 575,728	1-21	20-41
130 Recreation Structures	\$ 2,511,304	\$ 1,667,992	0-24	6-52
140 Access Equipment	\$ 21,960	\$ 16,727	1-5	8-18
150 Landscape & Irrigation	\$ 62,595	\$ 420,090	2	12
160 Lighting	\$ 510,230	\$ 82,433	0-24	15-44
170 Lake & Related Equipment	\$ 138,975	\$ 124,687	1-13	3-38
180 Air Conditioning Equipment	\$ 75,295	\$ 60,240	0-9	10-26
190 Painting	\$ 150,585	\$ 93,613	1-8	8-11
200 Component Renovations	\$ 0	\$ 425,000	N/A	N/A
Contingency	N/A	\$ 262,955	N/A	N/A
Total	\$ 7,388,908	\$ 5,522,065	0-24	1-52

LMVA Fine Schedule

Exceeding Fish Limit	\$ 25	Releasing Trout	\$ 35	Illegal Swimming	\$ 45
Unapproved Bait	\$ 25	Illegal Fishing	\$ 45	Disturbing the Peace	\$ 35
Outside Slot Limit	\$ 35	Unauthorized Launching	\$ 500	Threatening/Abusive Behavior	\$ 45
15' Rule	\$ 45	No Registration	\$ 35	Glass Containers	\$ 35
No Running Lights	\$ 35	Trespassing	\$ 35	No Guest Pass	\$ 45
No PFD	\$ 25	Littering	\$ 35	Wheeled Devices	\$ 25
Excess Rods or Hooks	\$ 25	Pets	\$ 25	Plastic Pants	\$ 25
Damaging / Reckless Boating	\$ 35				

Late Fees and Legal Charges

Assessment > 30 Days Late	\$ 5
Assessment > 100 Days Late (plus 6% interest from due date)	\$ 90
NSF/Rejected Fee	\$ 12

Rules Enforcement Policy

Directions given by any authorized Lake Mission Viejo Association ("LMVA") staff must be complied with at all times when using the facilities. Appropriate behavior, cooperation and conduct with LMVA members and staff are required at all times. Any abusive, offensive or threatening language or behavior is unacceptable. The control, supervision and discipline of all employees of LMVA shall be the responsibility of the management. Failure to abide by these rules and the direction of staff may result in fines listed above and/or immediate removal from the facilities.

LMVA's Liability Insurance General Liability Insurance

1. AIG/Granite State Insurance Co. is the Association's general liability insurance carrier.
2. The Association has the following general liability insurance for the period December 15, 2015 until December 15, 2016
 - a) \$1,000,000 maximum limit per occurrence;
 - b) \$2,000,000 of aggregate coverage.
3. Under this liability insurance there is no deductible except \$1,000 for Employee Benefits Liability.

Property Insurance

1. AIG/Granite State Insurance Co. is the Association's property insurance carrier.
2. The Association has the following property insurance for the period December 15, 2015 until December 15, 2016.
 - a) \$7,148,500 maximum limit per occurrence;
 - b) N/A of aggregate coverage.
3. Under this liability insurance the deductible is \$2,500.
4. Earthquake and flood coverage is provided by Landmark American Insurance Company for the period December 15, 2015 until December 15, 2016.
 - a) \$5,000,000 maximum limit per occurrence and in the annual aggregate applying separately the perils of Earthquake and Flood.

Directors' and Officers' Insurance

1. The Association does have Directors' and Officers' Insurance for the period December 15, 2015 to December 15, 2016.
2. The Association's Directors' and Officers' Insurance carrier is RSUI Indemnity Insurance Company.
3. The Association has the following Directors' and Officers' Insurance.
 - a) \$2,000,000 maximum limit per wrongful act and in the annual aggregate inclusive of defense costs.
4. The deductible under this Directors' and Officers' insurance is \$5,000 for claims made against Insured Persons indemnifiable by the Company and Company coverage for D&O claims. \$50,000 each Employment Practices Liability Claim. 0 Deductible for coverage for non-indemnifiable claims brought against Insured Persons.

Fidelity Insurance

1. The Association does have Fidelity Insurance for the period September 15, 2015 to December 15, 2016.
2. The Association's Fidelity Insurance carrier is Travelers Casualty & Surety Company of America.
3. The Association has the following Fidelity Insurance.
 - a) \$3,000,000 Fidelity/Crime Limit.
4. The deductible is \$15,000. \$1,000 for forgery and theft on premises.

This summary of the Association's policies of insurance provides only certain information, as required by subdivision (b) (9) of Section 5300 of the Civil code and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any Association member may, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the Association maintains the policies of insurance specified in this summary, the Association's policies of insurance may not cover your property, including personal property or real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate coverage.

Reserve Funding Projections

Lake Mission Viejo Association • Directed Cash Flow Calculation Method

Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenditures	Ending Balance	Fully Funded Ending Balance	% Funded
2017	\$ 5,522,065	\$ 647,995	\$ 0	\$ 676,600	\$ 5,493,460	\$ 5,668,232	97%
2018	\$ 5,493,460	\$ 670,351	\$ 0	\$ 977,177	\$ 5,186,634	\$ 5,518,268	94%
2019	\$ 5,186,634	\$ 693,478	\$ 0	\$ 380,775	\$ 5,499,336	\$ 6,012,808	91%
2020	\$ 5,499,336	\$ 717,403	\$ 0	\$ 1,338,629	\$ 4,878,110	\$ 5,514,018	88%
2021	\$ 4,878,110	\$ 742,153	\$ 0	\$ 630,858	\$ 4,989,406	\$ 5,780,690	86%
2022	\$ 4,989,406	\$ 767,758	\$ 0	\$ 738,643	\$ 5,018,520	\$ 5,948,871	84%
2023	\$ 5,018,520	\$ 794,245	\$ 0	\$ 787,013	\$ 5,025,751	\$ 6,083,243	83%
2024	\$ 5,025,751	\$ 821,647	\$ 0	\$ 457,791	\$ 5,389,607	\$ 6,585,228	82%
2025	\$ 5,389,607	\$ 849,994	\$ 0	\$ 565,463	\$ 5,674,138	\$ 7,001,714	81%
2026	\$ 5,674,138	\$ 879,318	\$ 0	\$ 488,378	\$ 6,065,078	\$ 7,521,891	81%
2027	\$ 6,065,078	\$ 909,655	\$ 0	\$ 945,010	\$ 6,029,723	\$ 7,576,829	80%
2028	\$ 6,029,723	\$ 941,038	\$ 0	\$ 1,094,987	\$ 5,875,775	\$ 7,485,847	78%
2029	\$ 5,875,775	\$ 973,504	\$ 0	\$ 392,163	\$ 6,457,116	\$ 8,159,830	79%
2030	\$ 6,457,116	\$ 1,007,090	\$ 0	\$ 826,322	\$ 6,637,884	\$ 8,398,594	79%
2031	\$ 6,637,884	\$ 1,041,834	\$ 0	\$ 1,502,552	\$ 6,177,165	\$ 7,930,883	78%
2032	\$ 6,177,165	\$ 1,077,777	\$ 0	\$ 723,408	\$ 6,531,535	\$ 8,303,367	79%
2033	\$ 6,531,535	\$ 1,114,961	\$ 0	\$ 747,704	\$ 6,898,791	\$ 8,672,729	80%
2034	\$ 6,898,791	\$ 1,153,427	\$ 0	\$ 576,801	\$ 7,475,417	\$ 9,248,329	81%
2035	\$ 7,475,417	\$ 1,193,220	\$ 0	\$ 405,351	\$ 8,263,287	\$ 10,035,249	82%
2036	\$ 8,263,287	\$ 1,234,386	\$ 0	\$ 412,984	\$ 9,084,689	\$ 10,846,295	84%
2037	\$ 9,084,689	\$ 1,276,973	\$ 0	\$ 1,317,541	\$ 9,044,120	\$ 10,721,731	84%
2038	\$ 9,044,120	\$ 1,321,028	\$ 0	\$ 1,248,947	\$ 9,116,201	\$ 10,685,484	85%
2039	\$ 9,116,201	\$ 1,366,604	\$ 0	\$ 602,676	\$ 9,880,128	\$ 11,358,414	87%
2040	\$ 9,880,128	\$ 1,413,751	\$ 0	\$ 525,158	\$ 10,768,722	\$ 12,145,980	89%
2041	\$ 10,768,722	\$ 1,462,526	\$ 0	\$ 2,458,365	\$ 9,772,883	\$ 10,896,804	90%
2042	\$ 9,772,883	\$ 1,512,983	\$ 0	\$ 1,247,873	\$ 10,037,993	\$ 10,938,068	92%
2043	\$ 10,037,993	\$ 1,565,181	\$ 0	\$ 681,988	\$ 10,921,187	\$ 11,605,644	94%
2044	\$ 10,921,187	\$ 1,619,180	\$ 0	\$ 447,772	\$ 12,092,594	\$ 12,557,284	96%
2045	\$ 12,092,594	\$ 1,675,041	\$ 0	\$ 766,698	\$ 13,000,937	\$ 13,206,704	98%
2046	\$ 13,000,937	\$ 1,732,830	\$ 0	\$ 493,108	\$ 14,240,660	\$ 14,182,909	100%

Note In some cases, the projected Ending Balance may exceed the Fully Funded Ending Balance in years following high Expenditures. This is a result of the provision for contingency in this analysis, which in these projections is never expended. The contingency is continually adjusted according to need and any excess is redistributed among all components included.

Hours of Operation

- North Beach**
 8:00 am-10:00 pm Mon-Fri
 6:00 am-10:00 pm Sat-Sun
- East Beach**
Closed for the season
- Market on the Lake**
 8:00 am-10:00 pm Daily
With Market Dock Access Card
- Snack Bars**
Closed for the season
- Membership/ Billing Office**
 8:00 am-5:00 pm Daily
- Clubhouse Rental Office**
 11:00-3:00 pm Mon-Sat
- Beach Bag Store/Lake Services**
 8:00 am-5:00 pm Daily
- Tackle Box/Boat Rentals**
 8:00 am-5:00 pm Mon-Fri
 6:00 am-5:00 pm Sat-Sun
- Beginning Sunday, November 6*
 Last boat rented: 4:00 pm, due in: 5:00 pm.

Trout Return to LMV

During the initial three weeks of the season, 12,000 pounds of beautiful trout we be stocked into the Lake. When the trout first arrive during the week prior to Opening Day, the lake will be closed to fishing until the Saturday morning season opener.

Anglers should check their tackle boxes, change line on their reels and plan for another great season of trout fishing at LMV. The Tackle Box store is stocked with bait and lures. The rental boats are tuned up and the LMVA staff is prepared to help anglers with all their fishing needs.

Fishing Club

The Lake Mission Viejo Fishing Club is open to all LMVA members, and will be celebrating the 39th year of trout fishing with a number of exciting events. The Club's first meeting is scheduled for Wednesday, November 30th at 7:00 pm in the LMVA Administration building.

For more information about the Fishing Club or trout stocking/fishing schedules, please call (949) 770-1313, ext. 235.
Or better yet, fish around the Lake website at www.lakemissionviejo.org.