

McKINLEYVILLE



COMMUNITY SERVICES DISTRICT



BUDGET

For the Fiscal Year Ending June 30, 2021

Adoption Date: June 3, 2020

MCSO BOARD OF DIRECTORS

Mary Burke, President
Dennis Mayo, Vice President
Shel Barsanti, Director
John Corbett, Director
David Couch, Director

McKINLEYVILLE COMMUNITY SERVICES DISTRICT
1656 Sutter Road
McKinleyville, CA 95519
Capital and Operating Budget

For the Fiscal Year Ending June 30, 2021

INTRODUCTION AND BUDGET GUIDE

This budget is intended to serve as a management tool for operation of the McKinleyville Community Services District (MCSD) during fiscal year July 1, 2020 through June 30, 2021. The Budget sets forth goals and priorities for staff to accomplish during the year in the four district operating departments. This budget is dynamic in that it can be amended as the Board adds goals and changes priorities.

- Page 3 includes information about McKinleyville and the McKinleyville Community Services District.
- The Mission Statement, a brief overview of the goals included in MCSD's Strategic Plan, the Organization Chart, and the calculated Full-Time Employee Equivalents for the fiscal year are included beginning at Page 5.
- Budgets and accompanying graphs for the Governmental Funds & the Enterprise Funds are shown beginning at Page 9. Detailed line item budgets are available for review by the Board and the public, but are not included in this policy-level document.
- Historical Data is presented beginning at Page 16.
- MCSD's Capital Improvement Program Budgets, Exhibit 11, start on Page 20. Narratives are shown in Appendix A, beginning at Page 24.
- MCSD's Board reviewed Tactical Planning Matrix is shown in Appendix B, beginning at Page 29
- The Appropriations Limit calculations required by law for the Fiscal Year 2020-21 are included in Appendix C, starting on Page 35.

DESCRIPTION OF THE COMMUNITY

McKinleyville is an unincorporated community of Humboldt County in the north coastal region of California 300 miles north of San Francisco. McKinleyville has an approximate population of 15,177 according to 2010 data from the U. S. Census Bureau. It is the third largest community population area in Humboldt County behind Eureka (27,191) and Arcata (17,231). McKinleyville borders the Pacific Ocean and has a mild climate year round with frequent fog and moderate to heavy precipitation mainly between October and April. Because of the combination of coastal, mountain and valley areas, residents have the opportunity for a wide range of recreational activities. Just minutes from McKinleyville, you can surf, fish for salmon and steelhead, hike underneath the world's tallest trees and bike the Pacific Coast Trail.

The original settlers of McKinleyville were the Wiyot Indians who occupied the area for hundreds of years before the first white settlers arrived. Historian Edie Neilson estimates that there were three thousand Wiyots in the vicinity when the first white settlers arrived in the 1850s; by 1900, there were only 150 Wiyots left. Joseph Dow built his cabin in 1862 on the high prairie area near the future site of the Humboldt County Airport. For many years the area from the Mad River to the Little River was known as Dow's Prairie.

Dow's Prairie was isolated from the rest of the north coast communities by the bridgeless rivers to the north and south and the dense forest to the east. When passable, fording the Mad River to get supplies in Arcata was a two-day trip. In 1897, Arcata businessman Isaac Minor built a general store with a post office, a hotel and a creamery here. The general store quickly became the social center for the community and the people decided to call their town Minor in his honor. When President William McKinley was assassinated in 1901, Isaac Minor and the townspeople agreed to change the name of the community to McKinleyville.

The McKinleyville Union School District was founded in 1948 and includes Dow's Prairie School, McKinleyville Middle School and Morris School. MUSD is McKinleyville's largest employer with a payroll of over \$4 million. Graduates of MUSD attend McKinleyville High School, which was opened for the fall 1961 school year. Mack High is one of two high schools in the Northern Humboldt Union High School District.

Opportunities for higher education are nearby. Arcata's Humboldt State University, a four-year college with a full spectrum of curriculum and graduate programs, is a 10-minute drive from McKinleyville. Eureka, located 20 minutes south of McKinleyville, is the largest city and county seat of Humboldt County. The main branch of College of the Redwoods, a community college system offering comprehensive programs in many academic and technical fields, is located in Eureka.

DESCRIPTION OF THE DISTRICT

McKinleyville Community Services District (MCSD) was created on April 14, 1970 when McKinleyville's residents voted 592 "yes" against 154 "no" to form the District. Initially, the District had authority to serve water and treat sewer wastes. In 1972 the voters added street lighting powers. In 1985 the voters added recreational powers and in 1995 the voters authorized construction of the McKinleyville Library. The District boundaries encompass 12,140 acres ranging from North Bank Road on the south to Patrick Creek on the north. MCSD is an independent governmental unit organized under the Community Services District Law, pursuant to Title 6 Division 3 of the Government Code Section 61000, et seq. A five member Board of Directors elected to four-year rotating terms in even-numbered years governs the District. The Directors meet on the first Wednesday of each month at Azalea Hall, 1620 Pickett Road, to set policy, consider projects and settle disputes. The District office is located at 1656 Sutter Road just east of Central Avenue.

MCSD's principal activities include water, sewer, parks, recreation, street lighting and open space maintenance services. In recent years, the District has dramatically expanded its recreational services by developing approximately 44 acres of community parks: Hiller Park Playground and Picnic Area, Hiller Park Loop Trails, Hiller Sports Complex, Pierson Park and Larissa Park. In addition, the District has constructed state-of-the-art buildings to provide indoor sports and recreation (McKinleyville Activity Center), a community activities center (Azalea Hall), a Teen and Community Center, and a library (a branch of the Humboldt County Library). In 1999, the Mad River Rotary Club completed the fund-raising and construction of a Law Enforcement Facility on District land adjacent to the Library and Azalea Hall. The facility was then donated to the District and is leased to the Humboldt County Sheriff's Department.

MCSD purchases its wholesale water supply from the Humboldt Bay Municipal Water District, which diverts water from its million-gallon tank on Essex Hill under the Mad River to MCSD's Grant A. Ramey Pump Station at North Bank and Azalea Roads. Water is then pumped to storage tanks at McCluski Hill, Cochran Road and Norton Road; MCSD's six storage tanks have a combined capacity of 5.25 million gallons, approximately a 36 hour supply for our 6,300 water customers.

All sewage for MCSD's 5,100 customers is treated at the Wastewater Management Facility at Hiller Park. MCSD maintains approximately 65 miles of sewer mains. MCSD recycles treated wastewater for agricultural irrigation at the Fischer Irrigation Site and at Hiller Park. With a major upgrade of the Wastewater Management Facility completed last fiscal year, MCSD is committed to maintaining its sewage collection, treatment and disposal systems as a model for other communities.

Additional information and photographs of MCSD facilities are available on MCSD's website (www.mckinleyvillecsd.com). District staff and Directors can be reached by e-mail at mcsd@mckinleyvillecsd.com.

MISSION STATEMENT

Provide McKinleyville with safe and reliable water, wastewater, lighting, open space, parks and recreation, and library services in an environmentally and fiscally responsible manner.

TACTICAL PLANNING MATRIX

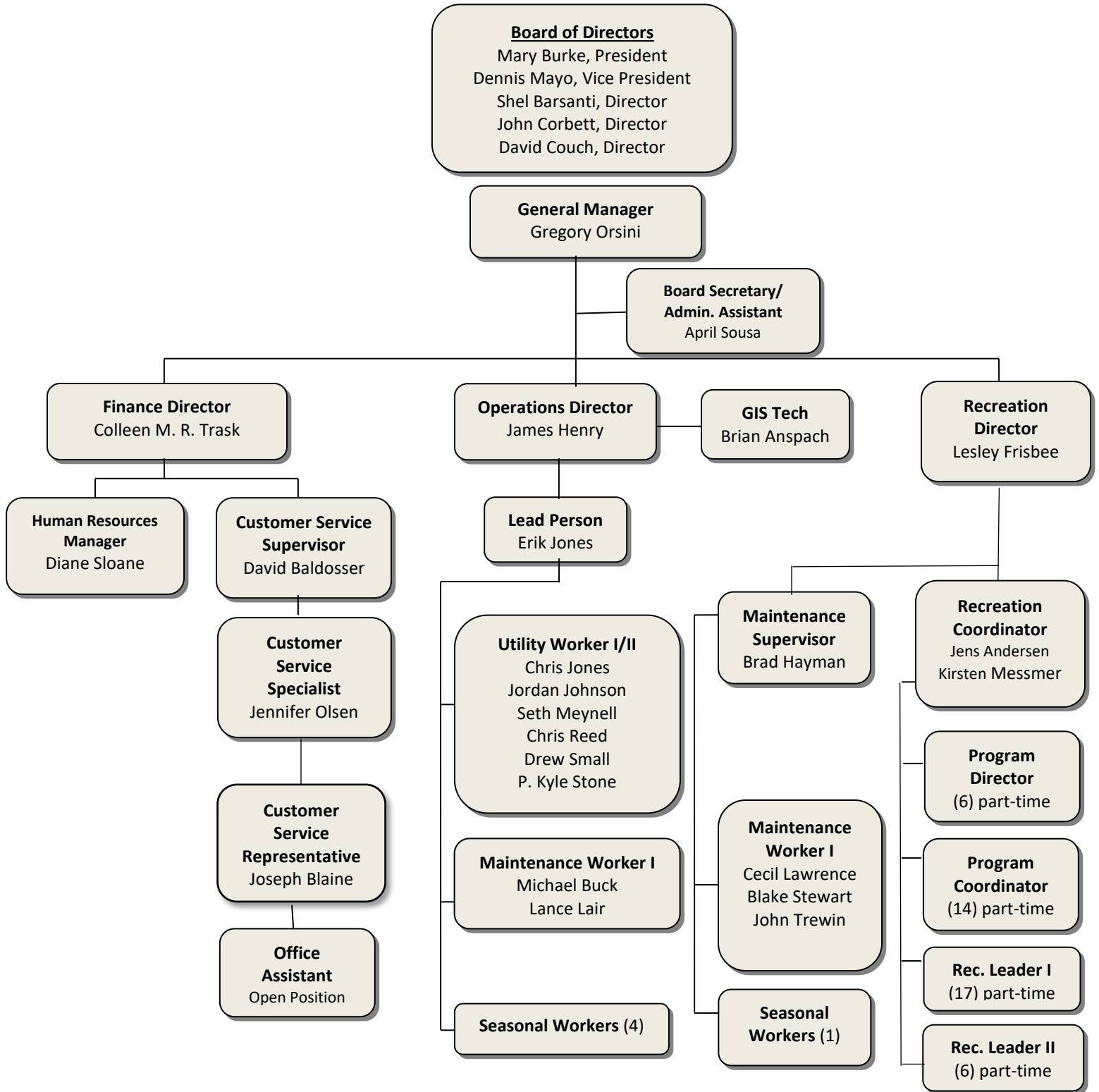
The District's Goals for any given year derive from the Board-reviewed Tactical Planning Matrix, which has a five-year planning horizon that is updated by the Board in January of each year. The updated Planning Matrix is incorporated into the approved Budget by reference (at the pleasure of the Board) upon annual approval of the budget. The Plan Elements are summarized below and the complete Matrix, listed by Element, is included as Appendix B:

- 1.0 WATER
- 2.0 WASTEWATER
- 3.0 STREETLIGHTS
- 4.0 PARKS & RECREATION
- 5.0 PARTNERSHIPS
- 6.0 PERSONNEL / ORGANIZATION
- 7.0 ADMINISTRATIVE MANAGEMENT
- 8.0 FINANCE

McKinleyville Community Services District

Organization Chart: Fiscal Year 2020-21

Revised May, 2020



McKINLEYVILLE COMMUNITY SERVICES DISTRICT
Full Time Equivalents
For the Fiscal Year ending June 30, 2020

	Full-Time Benefitted	Part-Time & Seasonal	Total FTEs
General Manager	1	0	1
Support Services	6	0	6
Operations	11	4	13
Parks & Recreation	8	50	14
Total	26	49	34

McKinleyville Community Services District
Exhibits of Financial Information
Budget for the year ending June 30, 2021

Table of Contents

<i>Page 09</i>	<i>Exhibit 1 – Fund Budget Summary and Projected Fund Balance</i>
<i>Page 11</i>	<i>Exhibit 2 – Budget & Graphs, Water Fund</i>
<i>Page 12</i>	<i>Exhibit 3 – Budget & Graphs, Wastewater Fund</i>
<i>Page 13</i>	<i>Exhibit 4 – Budget & Graphs, Streetlights Fund</i>
<i>Page 14</i>	<i>Exhibit 5 – Budget & Graphs, General/Parks Fund</i>
<i>Page 15</i>	<i>Exhibit 6 – Budget & Graphs, Measure B Fund</i>
<i>Page 16</i>	<i>Exhibit 7-10 – Historical Data</i>
<i>Page 20</i>	<i>Exhibit 11 – 10 Year Capital Improvement Plans</i>
<i>Page 24</i>	<i>Appendix A – Capital Expenditures Overview and Narratives</i>
<i>Page 29</i>	<i>Appendix B – Tactical Planning Matrix</i>
<i>Page 35</i>	<i>Appendix C – Appropriations Limit Calculations</i>

McKinleyville Community Services District
Budget Summary: Net Position - All Funds
FY2020-21

Exhibit 1

Net Position may serve over time as a useful indicator of a government's financial position. In the case of the District, total assets and deferred outflows of resources are projected in the budget to exceed liabilities and deferred inflows of resources by \$27,808,166 as of June 30, 2021.

The District's total net position is made up of three components: (1) net investment in capital assets, (2) restricted net position, and (3) unrestricted net position.

At the end of the Fiscal Year, June 30, 2021, the net position of the District is projected to remain nearly unchanged from the FY18-19 total of 27,919,237. A small decrease of approximately 0.04% or \$111,071 is projected for a total net position of \$27,808,166. This includes an decrease of approximately 4% for the current fiscal year and an offsetting increase of approximately 4% for the proposed budgeted year.

Total revenues are projected to increase at the end of the budget year by 23.7%, or \$2,295,751 for a total of \$11,989,590 from all revenue sources. This compares to an overall decrease projected for the current year of -9.31% or \$995,712 for a total of \$9,693,839 in projected actual revenues for this fiscal year.

Total expenditures are projected to increase at the end of the budget year by 7.4% or \$577,059 for a total of \$8,329,981 for all expenditure types. This compares to an overall decrease projected for the current year of -2.9% or (\$231,190) for a total of \$7,752,922 in projected actual expenditures for this fiscal year.

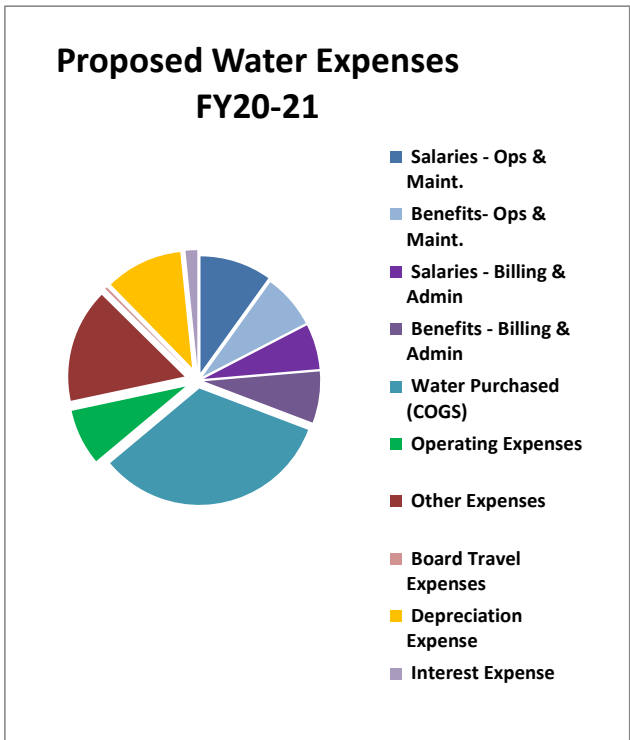
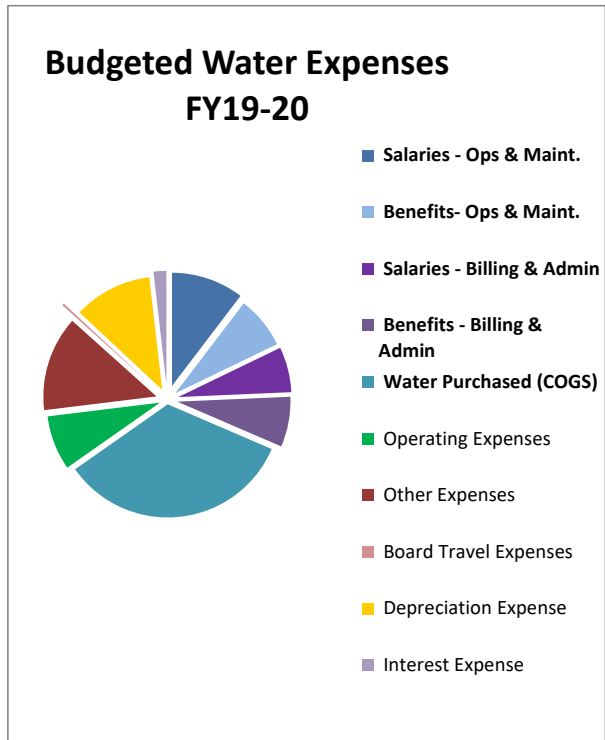
Even though the overall net position is not expected to change by a materially significant amount, the impact of the various State and local government orders related to the COVID19 pandemic are apparent in the decreases projected for the current fiscal year followed by modest increases for the budgeted year. Aside from that, the total projected revenue loss of the current fiscal year is also in small part due to the loss of expected capital projects grant income for the Parks/General Fund. Likewise, the total revenue budget for FY20-21 is increased by the expected receipt of capital projects grant income for both the Water and Wastewater Funds. The net projected decrease in expenditures for the current fiscal year includes the removal of the grant-dependent capital projects for the Parks/General Fund as well as the reduction in part-time Parks staff due to the COVID19 orders. The net budgeted increase in expenditures for FY20-21 is smaller than the expected increase in revenues from all sources, even allowing for the capital projects grant income.

McKinleyville Community Services District
Summary DRAFT Budgets - All Funds
FY 2020-21

Description	Water Fund	Wastewater Fund	Streetlights Fund	Gen'l/Parks Fund	Measure B Fund	Total (Memorandum Only)
Revenues						
Water Sales	3,917,744					3,917,744
Sewer Service Charges		4,004,460				4,004,460
Capacity Fees	100,000	100,000				200,000
Streetlight Charges			98,268			98,268
Program Fees	-			206,245		206,245
Facility Fees	-			37,015		37,015
Property Taxes	-			633,841		633,841
Measure B Assessment	-				221,132	221,132
Open Space Fees	-			115,315		115,315
Contributions & Other Program	-			1,300		1,300
Other Revenue	320,299	1,986,309	18,500	16,912		2,342,020
Contributed Construction	100,000	75,000		-		175,000
Proceeds from Long Term Debt (Gov't only)	-		-	-		-
Quimby Fees/Capital Proj. Grants	-			39,000		39,000
Interest Revenue	50,000	75,000	50	45,000	3,200	173,250
Total Revenues	4,488,043	6,240,769	116,818	1,094,628	224,332	12,164,590
Expenditures						
Salaries & Benefits - Operations & Maint.	590,676	639,198	2,832			1,232,706
Salaries & Benefits - Billing & Admin	454,804	433,238	45,120			933,162
Salaries & Benefits - Rec Programs	-			238,156		238,156
Salaries & Benefits- Parks Maintenance	-			212,718	70,409	283,127
Salaries & Benefits- Parks&Rec Admin	-			357,588		357,588
Water Purchased (COGS)	1,125,534					1,125,534
Water & Electrical Expense	-	164,000	17,300			181,300
Operating Expenses	262,900	292,250	-			555,150
Other Expenses	528,061	594,335	23,174			1,145,570
Other Expenditures - Rec Programs	-			15,850		15,850
Other Expenditures - Parks Maintenance	-			112,075	25,500	137,575
Other Expenditures - Parks&Rec Admin	-			113,022		113,022
Depreciation Expense	363,000	1,160,000				1,523,000
Board Travel Expense	10,000	6,000	400	1,100		17,500
CalPERS UAL - Gov't Funds only	-			-		-
Debt Service - Gov't Funds only	-		-	-	92,054	92,054
Interest Expense	55,126	247,163		-	35,398	337,687
Parks/Meas.B Capital Expenditures	-		2,000	39,000		41,000
Total Expenditures	3,390,101	3,536,184	90,826	1,089,509	223,361	8,329,981
Excess (Deficit)	1,097,942	2,704,585	25,992	5,119	971	3,834,609
Fund Balance - July 1, 2019						
	8,974,118	18,260,731	19,231	1,245,711	(580,554)	27,919,237
Projected Surplus (Deficit) FY2019-20	1,125,940	922,579	28,658	(22,221)	5,261	2,060,217
Debt Principal FY2019-20 (Enterprise only)	(162,868)	(500,344)				(663,212)
New Borrowing FY2019-20(Enterprise only)	-	1,508,500				1,508,500
Capital Expenditure FY2019-20(Enterprise)	(137,057)	(1,669,804)				(1,806,861)
Projected Fund Balance June 30, 2020	9,800,133	18,521,661	47,889	1,223,490	(575,293)	29,017,881
Budgeted Excess (Deficit) FY2020-21	1,097,942	2,704,585	25,992	5,119	971	3,834,609
Anticipated Borrowing FY2020-21(Enterprise)	-	-				-
Capital Project grant funding (contingent)	183,500	1,880,250				2,063,750
Debt Principal FY2020-21 (Enterprise only)	166,746	(588,819)				(422,073)
Capital Expenditure FY2020-21(Enterprise)	(1,832,500)	(4,853,500)				(6,686,000)
Projected Fund Balance June 30, 2021	9,415,821	17,664,177	73,881	1,228,609	(574,322)	27,808,166

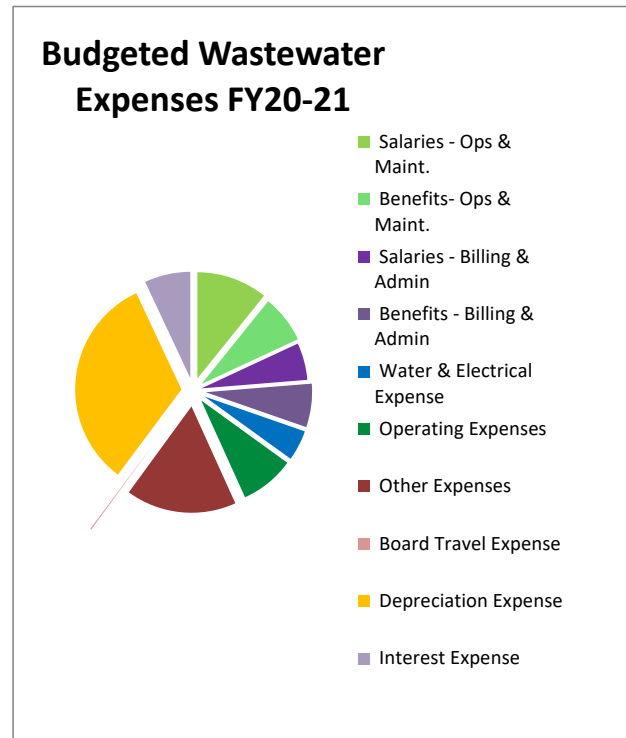
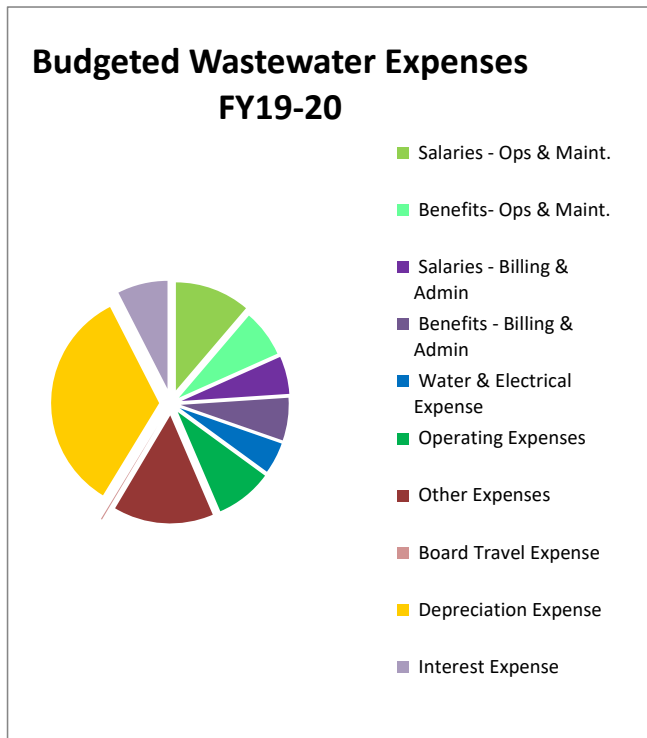
McKinleyville Community Services District
Enterprise Funds: Water DRAFT Operating Budget
FY 2020-21

Description	Water Fund Approved Budget FY19-20		Water Fund Proposed Budget FY20-21		Difference (Memorandum Only)	
Water Revenues						
Water Sales	3,650,743	90%	3,917,744	87%	267,001	7%
Capacity Fees	100,000	2%	100,000	2%	-	0%
Other Revenue	140,954	3%	320,299	7%	179,344	127%
Contributed Construction	100,000	2%	100,000	2%	-	0%
Interest Revenue	50,000	1.2%	50,000	1%	-	0%
Total Revenues	4,041,697	100%	4,488,043	100%	446,345	11%
Water Expenses						
Salaries - Ops & Maint.	334,996	10%	336,772	10%	1,777	0.5%
Benefits- Ops & Maint.	241,878	7%	253,904	7%	12,025	5.0%
Salaries - Billing & Admin	209,506	6%	212,484	6%	2,977	1.4%
Benefits - Billing & Admin	231,601	7%	242,320	7%	10,720	4.6%
Water Purchased (COGS)	1,093,102	34%	1,125,534	33%	32,432	3.0%
Operating Expenses	252,200	8%	262,900	8%	10,700	4.2%
Other Expenses	439,401	14%	534,561	16%	95,160	21.7%
Board Travel Expenses	10,000	0.3%	10,000	0%	-	0.0%
Depreciation Expense	363,000	11%	363,000	11%	-	0.0%
Interest Expense	59,030	2%	55,126	2%	(3,904)	-6.6%
Total Expenses	3,234,714	100%	3,396,601	100%	161,887	5%
Excess (Deficit)	806,983		1,091,442			



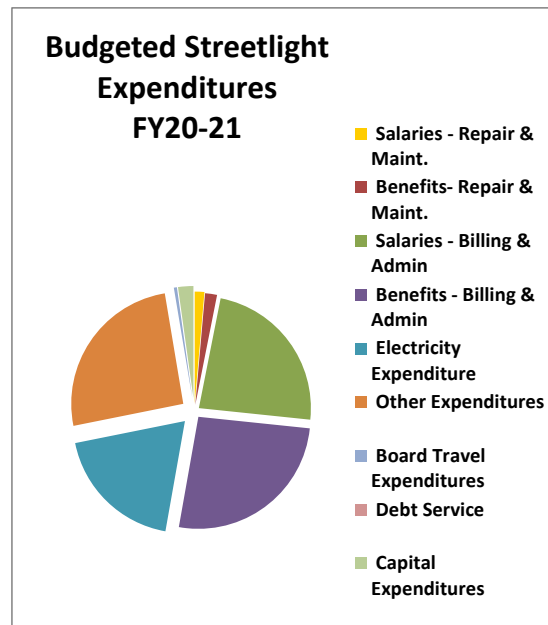
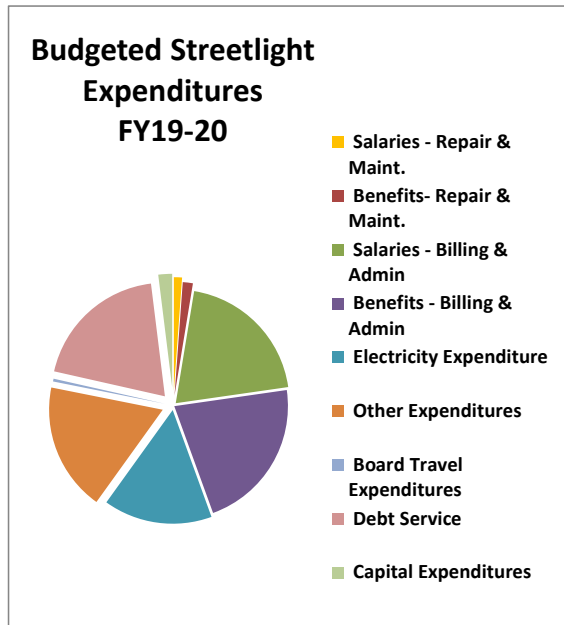
McKinleyville Community Services District
Enterprise Funds: Wastewater DRAFT Operating Budget
FY 2020-21

Description	Wastewater Fund Approved Budget FY19-20		Wastewater Fund Proposed Budget FY20-21		Difference (Memorandum Only)	
Wastewater Revenues						
Sewer Service Charges	3,835,860	90%	4,004,460	64%	168,600	4%
Capacity Fees	150,000	4%	100,000	2%	(50,000)	-33%
Other Revenue	94,814	2%	1,986,309	32%	1,891,494	1995%
Contributed Construction	100,000	2%	75,000	1%	(25,000)	-25%
Interest Revenue	75,000	2%	75,000	1%	-	0%
Total Revenues	4,255,674	100%	6,240,769	100%	1,985,094	46.6%
Wastewater Expenses						
Salaries - Ops & Maint.	382,756	11%	381,622	11%	(1,134)	0%
Benefits- Ops & Maint.	240,673	7%	257,576	7%	16,903	7%
Salaries - Billing & Admin	191,954	6%	199,340	6%	7,386	4%
Benefits - Billing & Admin	217,357	6%	233,898	7%	16,541	8%
Water & Electrical Expense	160,000	5%	164,000	5%	4,000	3%
Operating Expenses	290,250	9%	292,250	8%	2,000	1%
Other Expenses	509,885	15%	594,335	17%	84,450	17%
Board Travel Expense	6,000	0%	6,000	0%	-	0%
Depreciation Expense	1,150,000	34%	1,160,000	33%	10,000	1%
Interest Expense	255,938	8%	247,163	7%	(8,775)	-3%
Total Expenditures	3,404,813	100%	3,536,184	100%	131,371	3.9%
Excess (Deficit)	850,862		2,704,585			



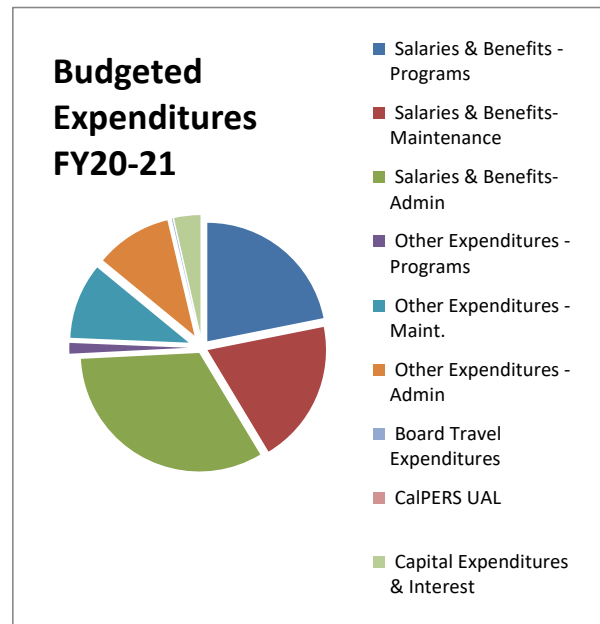
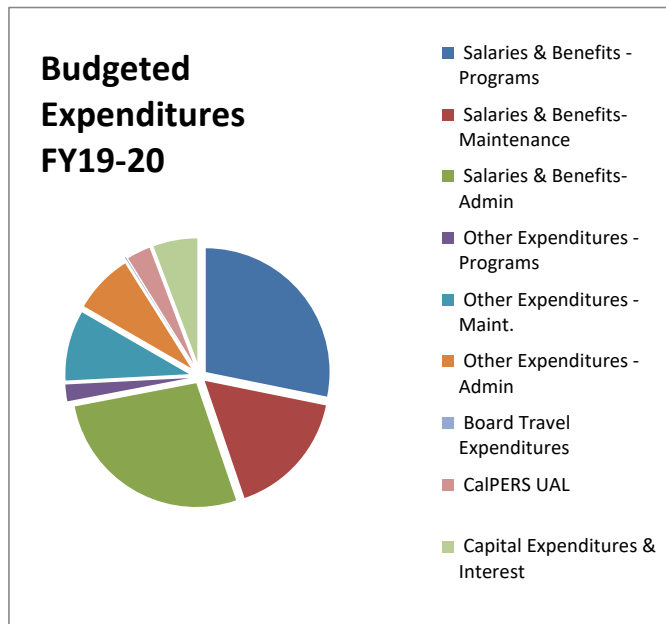
McKinleyville Community Services District
Streetlights Fund DRAFT Operating Budget
FY 2020-21

Description	Streetlights Fund Approved Budget FY19-20		Streetlights Fund Proposed Budget FY20-21		Difference (Memorandum Only)	
Streetlight Revenues						
Streetlight Charges	93,695	83%	98,268	84%	4,572	4.9%
Other Charges	18,500	16%	18,500	16%	-	0.0%
Proceeds from Debt	-	0%	-	0%	-	0.0%
Interest Revenue	75.00	0%	50	0%	(25)	0.0%
Total Revenues	112,270	100%	116,818	100%	4,547	4%
Streetlight Expenditures						
Salaries - Repair & Maint.	1,178	1%	1,262	1%	84	7.1%
Benefits- Repair & Maint.	1,463	1%	1,570	2%	107	7.3%
Salaries - Billing & Admin	20,507	20%	21,373	24%	865	4.2%
Benefits - Billing & Admin	22,127	22%	23,747	26%	1,620	7.3%
Electricity Expenditure	15,750	15%	17,300	19%	1,550	9.8%
Other Expenditures	18,554	18%	23,174	26%	4,620	24.9%
Board Travel Expenditures	400	0%	400	0%	-	0.0%
Debt Service	19,865	20%	-	0%	(19,865)	-100.0%
Capital Expenditures	2,000	2%	2,000	2%	-	0.0%
Total Expenditures	101,844	100%	90,825	100%	(11,018)	-11%
Excess (Deficit)	10,427		25,992			



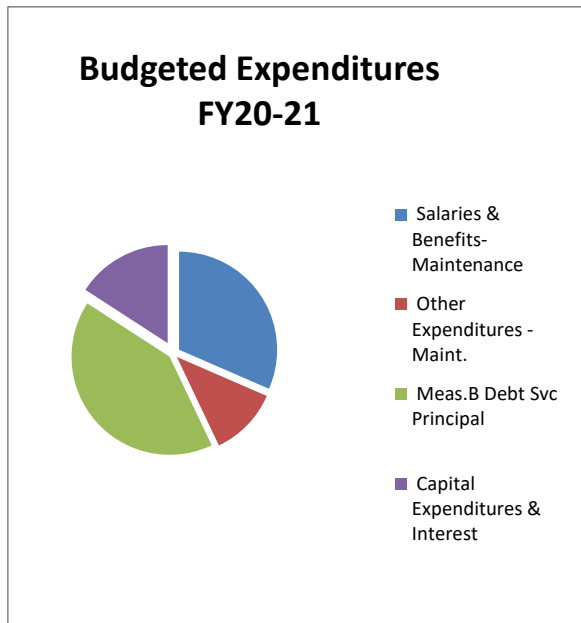
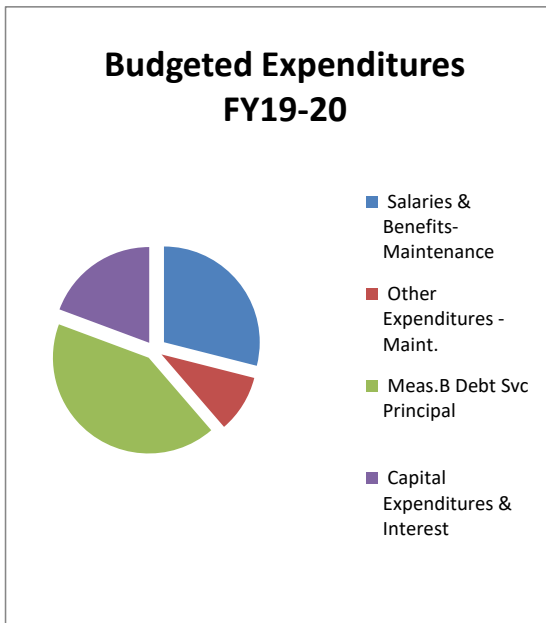
McKinleyville Community Services District
Parks/General Fund DRAFT Operating Budget
FY 2020-21

Description	Parks/General Fund Approved Budget FY2019-20		Parks/General Fund Proposed Budget FY2020-21		Difference (Memorandum Only)	
Revenues						
Program Fees	368,779	28%	206,245	19%	(162,534)	-9.0%
Facility Fees	87,375	7%	37,015	3%	(50,360)	-3.2%
Property Taxes	631,898	48%	633,841	58%	1,944	10.1%
Open Space Fees	112,162	8%	115,315	11%	3,153	2.1%
Contributions & Other Program	1,000	0%	1,300	0.1%	300	0.0%
Other Revenue	17,682	1%	16,912	2%	(770)	0.2%
Quimby Fees/ Grants/Loans	77,000	6%	39,000	4%	(38,000)	-2.3%
Interest Revenue	27,000	2.0%	45,000	4.1%	18,000	2.1%
Total Revenues	1,322,896	100%	1,094,628	100%	(228,267)	-20.9%
Expenditures						
Salaries & Benefits - Programs	366,551	28%	238,156	22%	(128,395)	-6.3%
Salaries & Benefits- Maintenance	215,857	17%	212,718	20%	(3,139)	2.9%
Salaries & Benefits- Admin	353,909	27%	357,588	33%	3,679	5.6%
Other Expenditures - Programs	28,406	2%	15,850	1%	(12,556)	-0.7%
Other Expenditures - Maint.	119,190	9%	112,075	10.3%	(7,115)	1.1%
Other Expenditures - Admin	100,421	8%	113,022	10.4%	12,601	2.7%
Board Travel Expenditures	1,300	0.1%	1,100	0.1%	(200)	0.0%
CalPERS UAL	40,000	3%	-	0.0%	(40,000)	-3.1%
Capital Expenditures & Interest	75,000	6%	39,000	4%	(36,000)	-2.2%
Total Expenditures	1,300,634	100%	1,089,509	100%	(211,125)	-19.4%
Excess (Deficit)	22,262		5,120			



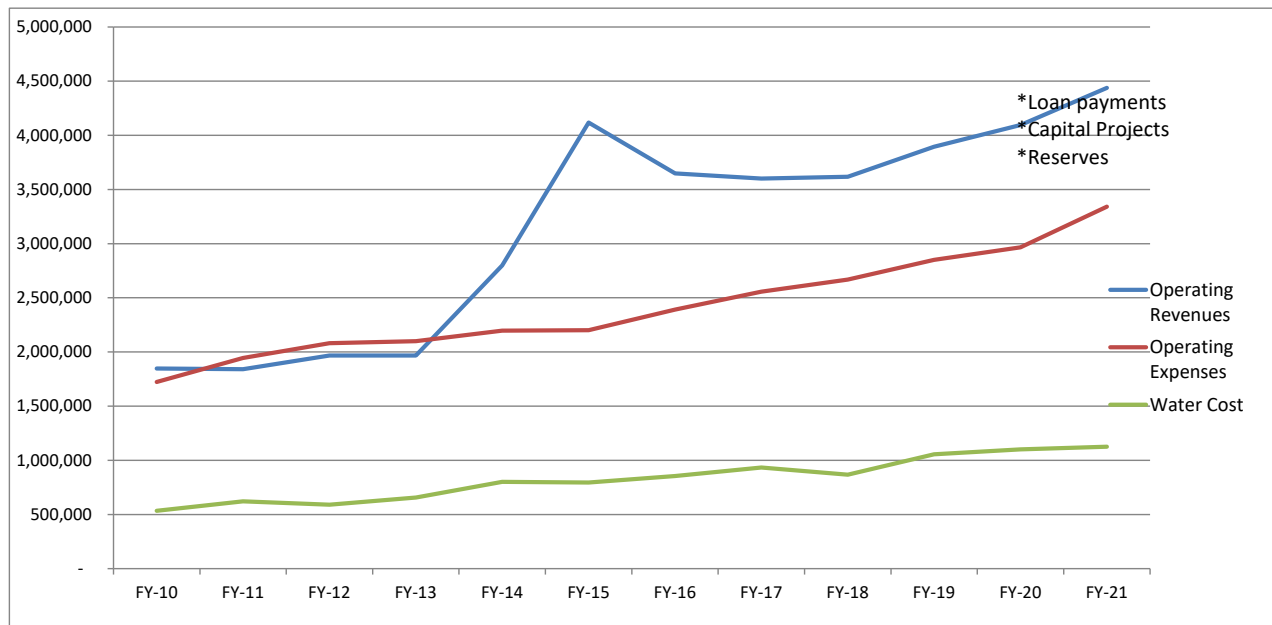
McKinleyville Community Services District
Measure B Fund DRAFT Operating Budget
FY 2020-21

Description	Measure B Fund Approved Budget FY19-20		Measure B Fund Proposed Budget FY20-21		Difference (Memorandum Only)	
Revenues						
Measure B Assessment	212,512	100%	221,132	99%	8,620	-1%
Grants/Contributions	-	0%	-	-	-	0%
Other Revenue	-	0%	-	0%	-	0%
Proceeds from Debt	-	-	-	0%	-	0%
Quimby Fees/ ReservesDraw	-	0%	-	0%	-	0%
Interest Revenue	-	0.0%	3,200	0.01	3,200	1%
Total Revenues	212,512	100%	224,332	100%	11,820	5%
Expenditures						
Salaries & Benefits- Maintenance	61,424	29%	70,409	32%	8,985	3%
Other Expenditures - Maint.	20,600	10%	25,500	11.4%	4,900	2%
Meas.B Debt Svc Principal	89,100	42%	92,054	41.2%	2,954	-1%
Capital Expenditures & Interest	41,000	19%	35,398	16%	(5,602)	-3%
Total Expenditures	212,124	100%	223,361	100%	11,237	5%
Excess (Deficit)	388		971		583	



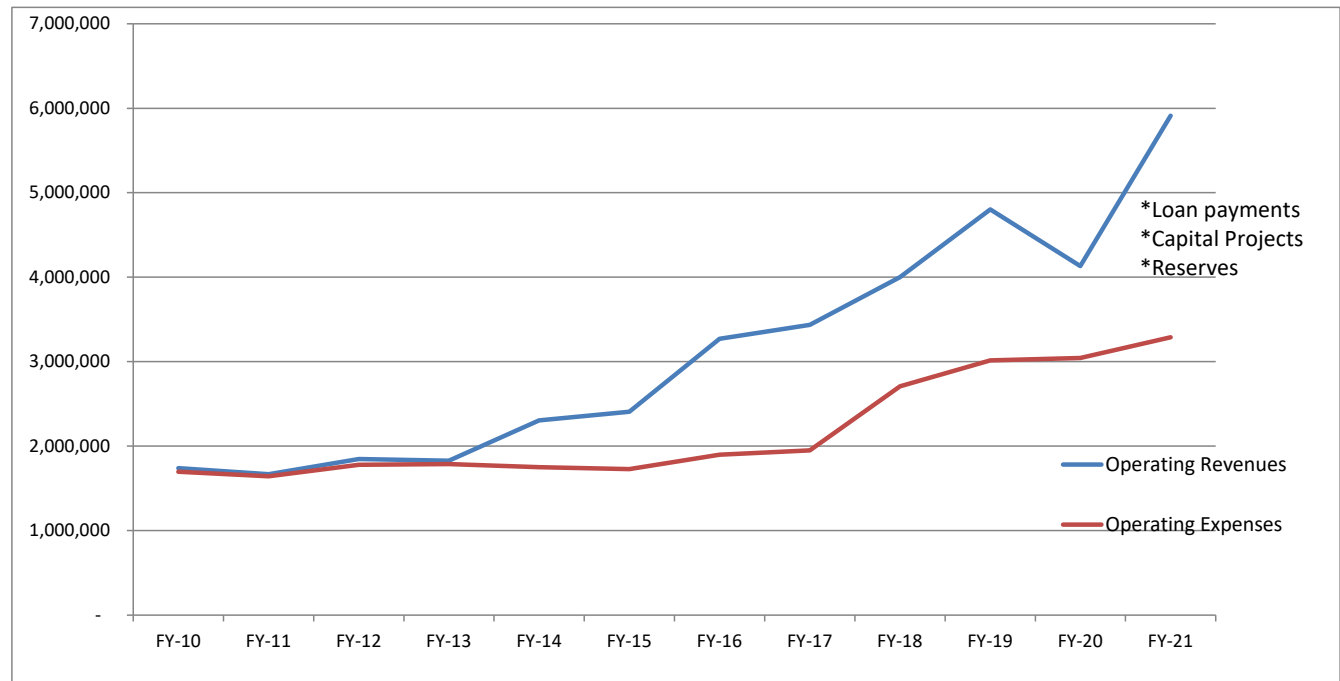
McKinleyville Community Services District
Water Enterprise Fund
Historical Analysis
Fiscal Years Ended (Ending) June 30, 2010-2021

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual Est.	Budget
Operating Revenues												
Water Sales	1,566,024	1,559,779	1,545,469	1,665,273	2,237,058	2,855,251	2,971,172	3,307,872	3,201,667	3,333,250	3,697,006	3,917,744
Other Water Revenues	280,648	281,235	422,166	302,600	561,962	1,263,244	677,733	293,149	416,418	560,739	397,166	520,299
Total Operating Revenues	1,846,672	1,841,014	1,967,635	1,967,873	2,799,019	4,118,496	3,648,905	3,601,020	3,618,085	3,893,989	4,094,172	4,438,043
Operating Expenses												
Salaries & Benefits	729,285	737,395	724,139	776,264	766,832	820,713	901,568	961,086	873,905	793,755	847,701	1,037,979
Water Cost	533,961	620,952	589,650	657,440	801,270	795,098	855,642	933,907	867,122	1,056,472	1,100,201	1,125,534
Other Expenses	235,842	322,277	477,803	363,133	325,537	258,732	290,102	314,758	562,998	610,340	655,253	814,961
Depreciation	224,099	264,365	288,634	302,545	303,585	325,895	344,400	346,630	363,985	389,295	363,000	363,000
Total Operating Expenses	1,723,187	1,944,989	2,080,227	2,099,382	2,197,224	2,200,438	2,391,712	2,556,381	2,668,010	2,849,862	2,966,156	3,341,475
Net Operating Income (Loss)	123,485	(103,975)	(112,592)	(131,509)	601,796	1,918,057	1,257,193	1,044,639	950,075	1,044,127	1,128,016	1,096,568
Interest Income	39,897	19,437	17,492	10,565	11,079	15,510	19,797	31,579	41,491	79,233	57,183	50,000
Interest Expense	(54,701)	(53,948)	(82,524)	(86,060)	(81,588)	(75,483)	(72,104)	(68,446)	(64,890)	(61,108)	(59,260)	(55,126)
Net Income (Loss)	108,681	(138,487)	(177,624)	(207,005)	531,286	1,858,084	1,204,887	1,007,773	926,676	1,062,252	1,125,940	1,091,442



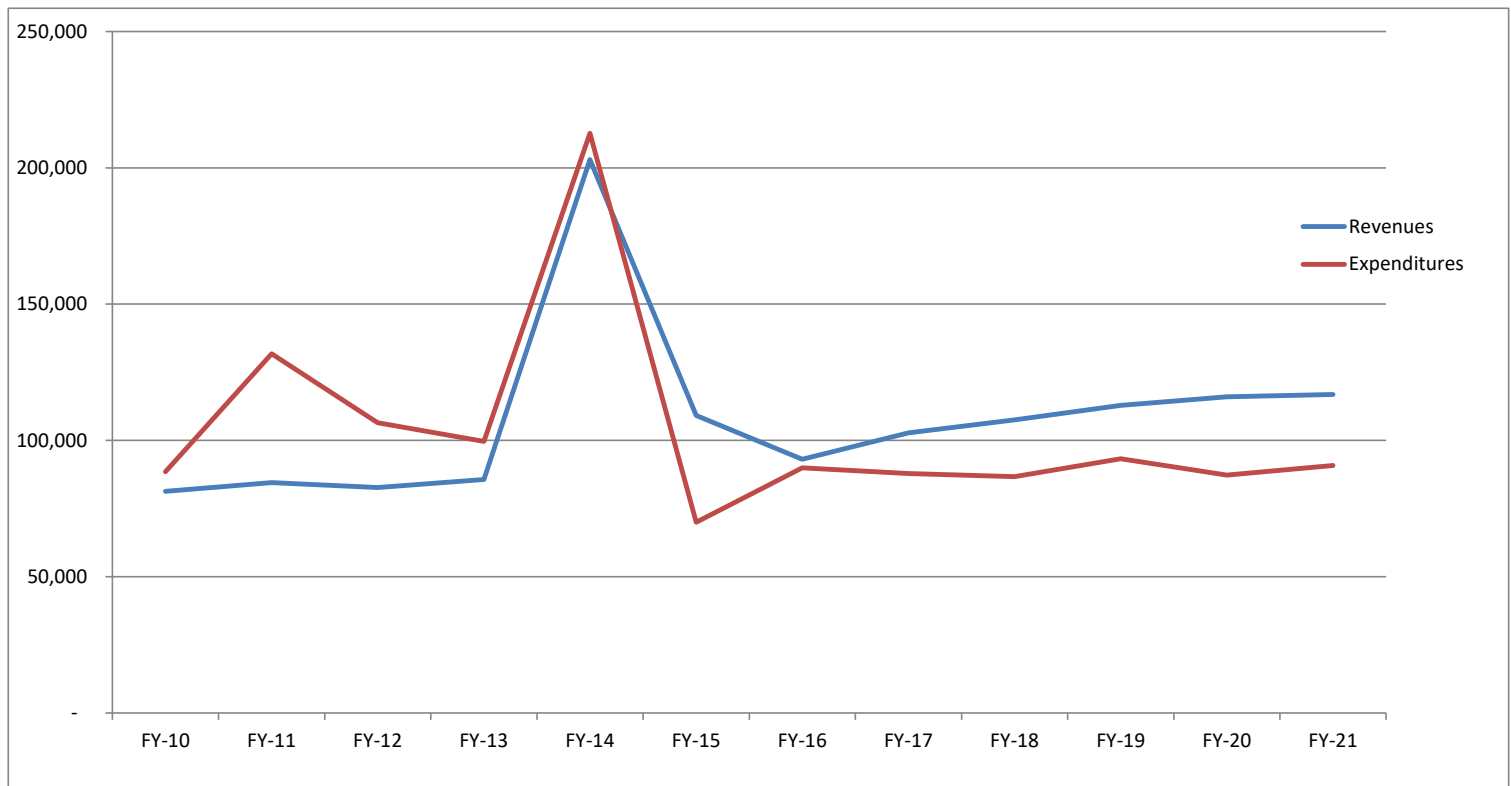
McKinleyville Community Services District
Wastewater Enterprise Fund
Historical Analysis
Fiscal Years Ended (Ending) June 30, 2010-2021

	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual Est.	2021 Budget
Operating Revenues												
Wastewater Service Charges	1,404,897	1,424,263	1,401,100	1,502,097	1,768,170	2,062,271	2,519,832	3,062,739	3,333,752	3,705,348	3,699,640	4,004,460
Other Wastewater Revenues	336,252	243,841	445,849	326,569	536,218	345,588	750,463	373,867	667,985	1,095,942	431,187	1,907,309
Total Operating Revenues	1,741,149	1,668,104	1,846,949	1,828,665	2,304,387	2,407,859	3,270,295	3,436,606	4,001,736	4,801,290	4,130,826	5,911,769
Operating Expenses												
Salaries & Benefits	755,611	748,348	764,920	798,884	843,382	865,751	966,967	990,442	1,040,516	991,199	1,070,913	1,097,100
Other Expenses	529,281	447,098	555,245	527,474	446,363	394,667	467,984	505,812	838,285	822,444	823,045	1,031,921
Depreciation	412,230	448,174	460,549	462,065	462,621	469,397	464,200	453,677	829,508	1,201,128	1,150,000	1,160,000
Total Operating Expenses	1,697,122	1,643,620	1,780,714	1,788,423	1,752,365	1,729,815	1,899,151	1,949,931	2,708,309	3,014,771	3,043,958	3,289,021
Net Operating Income (Loss)	44,027	24,484	66,235	40,243	552,022	678,044	1,371,144	1,486,676	1,293,428	1,786,519	1,086,868	2,622,748
Interest Income	46,165	27,485	28,519	20,701	18,989	20,496	21,382	30,154	48,208	120,116	91,649	75,000
Interest Expense	-	(64,670)	(50,190)	(37,857)	(37,521)	(31,558)	(27,900)	(23,803)	(198,112)	(225,072)	(255,938)	(247,163)
Net Income (Loss)	90,192	(12,701)	44,564	23,087	533,489	666,982	1,364,626	1,493,026	1,143,524	1,681,562	922,578	2,450,585



McKinleyville Community Services District
Streetlight Fund
Historical Analysis
Fiscal Years Ended (Ending) June 30, 2010-2021

	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual Est	2021 Budget
Revenues	81,317	84,510	82,665	85,658	203,009	109,123	93,109	102,744	107,557	112,870	115,964	116,818
Expenditures												
Salaries & Benefits	29,290	39,195	32,501	35,260	45,591	35,942	40,767	37,296	36,852	38,155	41,179	47,951
Other Expenditures	38,663	67,679	53,501	47,119	43,141	31,804	29,261	30,719	30,022	35,272	36,265	40,874
Debt Service	17,305	23,056	-	-	-	-	19,865	19,865	19,865	19,865	9,863	-
Capital Expenditures	3,271	1,857	20,520	17,250	123,950	2,229	-	-	-	-	-	2,000
Total Expenditures	88,529	131,786	106,523	99,629	212,681	69,975	89,893	87,880	86,739	93,293	87,306	90,825
Excess (Deficit)	(7,212)	(47,276)	(23,858)	(13,971)	(9,672)	39,148	3,216	14,864	20,817	19,578	28,658	25,992



McKinleyville Community Services District
Parks & Recreation, Measure B Assessment, & General Fund
Historical Analysis
Fiscal Years Ended (Ending) June 30, 2010-2021

	Fiscal Year Ended (Ending) June 30,											
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual Est.	Budget
Combined Revenues												
Programs	265,596	263,409	262,680	309,625	324,140	320,470	360,399	384,959	374,327	285,629	193,511	188,670
Rentals	56,953	60,974	57,321	58,779	66,980	67,407	85,536	89,029	96,868	87,948	67,235	37,015
Property Taxes	460,625	489,313	506,315	560,445	516,221	523,970	547,214	574,220	598,430	615,380	615,380	633,841
Measure B Assessment	201,114	209,068	203,432	205,420	206,270	202,749	204,177	208,775	209,573	210,254	214,598	221,132
State Bonds & Grants	-	12,000	-	-	10,000	25,000	48,876	-	-	7,215	10,128	10,000
Other Revenue	98,611	189,883	120,948	134,120	120,119	1,612,221	296,868	212,637	198,827	244,785	188,184	180,102
Interest Revenue	18,992	5,889	3,047	3,216	6,755	12,773	19,661	16,287	18,799	53,839	34,309	48,200
Total Revenues	1,101,891	1,230,536	1,153,743	1,271,604	1,250,484	2,764,590	1,562,731	1,485,907	1,496,824	1,505,049	1,323,345	1,318,960
Combined Expenditures												
Salaries & Benefits	612,125	738,710	764,022	786,004	846,593	909,802	859,611	920,016	975,993	1,017,783	930,440	862,324
Other Expenditures	180,202	311,230	273,307	309,326	386,777	348,872	2,401,700	458,267	323,053	308,048	322,507	319,491
Debt Service	191,609	255,320	-	-	-	36,228	79,968	82,831	84,288	85,798	87,308	92,054
Capital Expenditures	186,355	27,559	21,902	73,024	177,463	132,323	158,519	80,568	45,473	69,128	50	39,000
Total Expenditures	1,170,291	1,332,819	1,059,231	1,168,355	1,410,834	1,427,225	3,499,798	1,541,682	1,428,807	1,480,757	1,340,305	1,312,870
Combined Excess (Deficit)	(68,400)	(102,283)	94,513	103,249	(160,349)	1,337,365	(1,937,067)	(55,775)	68,017	24,292	(16,960)	6,091

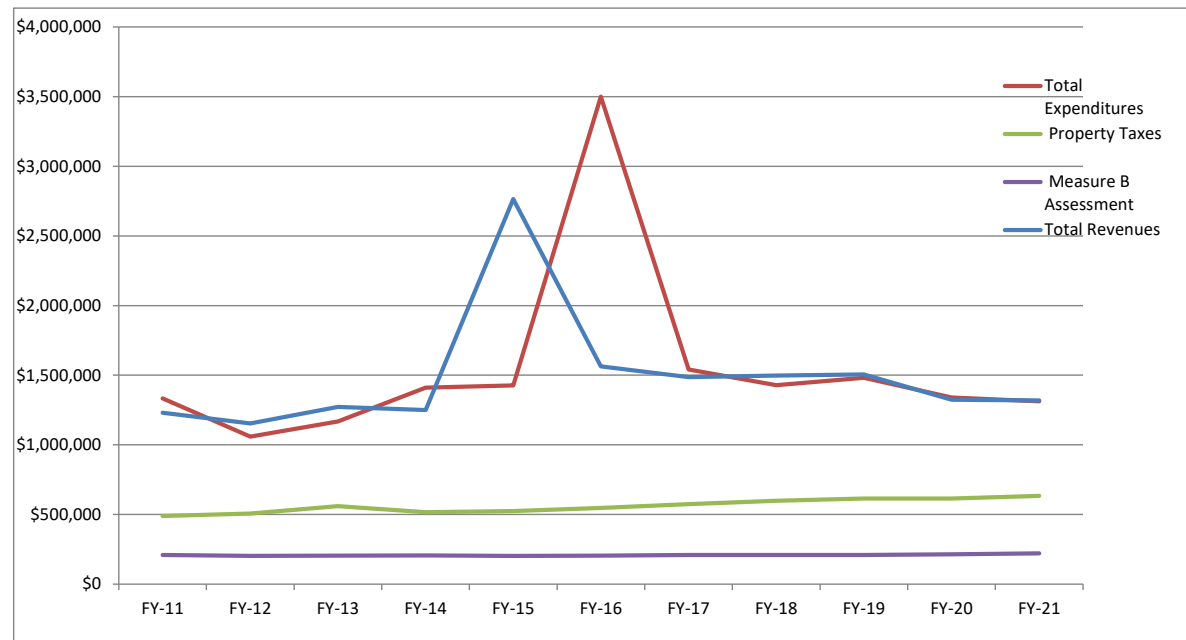


Exhibit 11-1

McKinleyville Community Services District
 Enterprise Funds **DRAFT** Capital Improvement Project Budget
 For the Fiscal Years Ending June 30, 2021 - 2030

	1	2	3	4	5	6	7	8	9	10
(All numbers in \$000s)										
	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030
1. Heavy Equipment										
Totals:	100	50	0	10	0	107	0	120	500	0
2. Utility Vehicles										
Totals:	38	38	38	68	38	60	38	60	57	57
3. Water System										
Totals:	1,722	6,807	1,007	1,257	1,024	1,007	1,007	1,032	1,052	1,360
4. Sewer System										
Totals:	4,458	5,358	1,392	2,779	1,262	274	1,328	352	7,824	452
5. Office, Corporation Yard & Shops										
Totals:	25	3,400	0	10	0	10	0	14	0	10
6. Computers, Software & Equipment										
Totals:	18	6	65	6	136	29	12	7	34	7
7. Reclamation (Fischer & Pialorsi Ranches)										
Totals:	285	105	127	5	5	5	5	15	5	5
8. Small Equipment & Other										
Totals:	40	15	15	15	20	35	42	20	15	20
Total Planned Expenditures	6,686	15,779	2,644	4,150	2,485	1,527	2,432	1,620	9,487	1,911
Departmental Allocations:										
Water Fund	1,833	8,562	1,066	1,312	1,121	1,128	1,053	1,143	1,105	1,407
Wastewater Fund	4,854	7,218	1,578	2,839	1,364	400	1,379	478	8,382	504
Total	6,686	15,779	2,644	4,150	2,485	1,527	2,432	1,620	9,487	1,911

Exhibit 11-2

McKinleyville Community Services District
 Streetlights Fund **DRAFT** Capital Improvement Project Budget
 For the Fiscal Years Ending June 30, 2021 - 2030

	1	2	3	4	5	6	7	8	9	10
	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030
1. Heavy Equipment										
Totals:	0	0	0	0	83	0	0	0	0	0
2. Poles and Lights										
Totals:	2	40	7	0	0	0	0	0	0	0
Total Planned Expenditures	2	40	7	0	83	0	0	0	0	0

Exhibit 11-3

McKinleyville Community Services District
 General Fund (Parks & Recreation) **DRAFT** Capital Improvement Project Budget
 For the Fiscal Years Ending June 30, 2021 - 2030

(All numbers in \$000s)

	1	2	3	4	5	6	7	8	9	10
	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030
1. Hiller Park & Sports Complex Projects										
Totals:	14	0	50	0	25	0	0	13	5	0
2. Pierson Park Projects										
Totals:	0	0	60	0	12	0	0	0	0	0
3. Azalea Hall Projects										
Totals:	0	24	111	25	66	6	11	6	21	31
4. McKinleyville Activity Center Projects										
Totals:	15	85	42	10	70	26	0	0	0	0
5. Other Park Projects & Equipment										
Totals:	0	18	16	11	0	11	0	12	0	12
6. Law Enforcement Facility Projects										
Totals:	0	0	6	0	5	10	0	21	0	0
7. McKinleyville Library Projects										
Totals:	10	0	6	0	6	20	21	0	0	0

Exhibit 11-3

McKinleyville Community Services District

General Fund (Parks & Recreation) **DRAFT** Capital Improvement Project Budget

For the Fiscal Years Ending June 30, 2021 - 2030

(All numbers in \$000s)

	1	2	3	4	5	6	7	8	9	10
	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030
8. Teen & Community Center										
Totals:	0	10	0	0	0	20	0	5	0	0
9. Projects Contingent Upon Grant Funding										
Totals:	0	0	0	0	0	0	10	0	0	0
10. Projects Funded by Quimby & Other Funds										
Totals:	0	0	0	25	0	0	0	0	0	0
Total Planned Capital Expenditures	39	137	291	71	184	93	42	57	26	43

APPENDIX A

DRAFT Capital Improvement Plan Water, Sewer and Streetlights Funds Fiscal Year 2020-21

Water and Sewer Fund capital asset purchases and projects depend largely on grants, loans, and the strategic use of District Reserves. The Board has made a commitment to not defer scheduled maintenance, repair, or replacement of current service delivery systems. This must be balanced against the Board's equal commitment to fiscal responsibility. Under the leadership of the General Manager, the Operations Director, and Finance Director, staff has taken steps to honor both of these commitments in the budget process by ensuring that the potential financing sources of each project are discussed at the time of project proposal and included with each project's detail notes.

CAPITAL IMPROVEMENT PROGRAM PROJECT DISCUSSION

Heavy Equipment and Utility Vehicles

In 1998, the Board adopted a Fleet Replacement Plan to ensure that MCSD's fleet of heavy equipment and utility vehicles would be replaced in an approximately ten-year cycle. At present, the Water and Wastewater Funds plan to replace one light $\frac{3}{4}$ ton utility truck, portable emergency generators, and an air compressor with various attachments. Funds have also been set aside for the replacement of the oldest of the District's backhoes, which has been serving the District since 1979.

Water System

The largest Water project for FY2020-21 is the start of the construction phase of the proposed 4.5 million gallon new storage tank. \$250,000 of that amount is for the purchase of the property where the tank will be located. The total cost is expected to be approximately \$5.4 million, of which all but \$1.8 million will be grant funded.

\$500,000 is budgeted for a recoating project scheduled this year. Each tank recoating cycle is approximately 20 to 30 years for preventative maintenance to avoid corrosion and maintain structural integrity. Other projects currently proposed for the Water Fund include funding for upgrading the Cochran generator (\$50,000); another \$50,000 for the Alternative Energy Master Plan (the \$100,000 total is split between Water & Wastewater Funds); \$7,000 for tree service at Norton; and \$20,000 to replace the seismic actuators for the Norton and Cochran Tanks. \$10,000 has also been included in the Water Fund for the testing and replacement of customer meters greater than three inches (3").

The fire hydrant system is still scheduled to be upgraded. The District will use this \$7,000 budget item to upgrade dry barrel hydrants in commercial areas to wet barrel hydrants.

The \$900,000 showing as budgeted for the Water Main Rehabilitation/ Replacement Project will not be directly spent. Rather, it is a set-aside to build up reserves for the replacement project.

APPENDIX A

Wastewater System

\$240,000 is still being set aside annually to pay for the next bio-solids project, which should occur on a five-to-seven year cycle. \$50,000 has been set aside to fund the new National Pollutant Discharge Elimination System (NPDES) permit studies that will be part of the new permit requirements. The \$900,000 showing as budgeted for the Wastewater Mainline Rehabilitation/ Replacement Project will not be directly spent. Rather, it is a set-aside to build up reserves for the replacement project.

\$4,000,000 total is showing as budgeted for the construction of all three replacement under-crossings. Of that, the District is responsible for funding \$1,000,000 with the rest being grant funded. The total has been split across the multiple fiscal years with the amount expected to be spent in each year shown in that year. \$538,000 has been earmarked for the upgrade of the Hiller lift station pumps. Half of that is a grant from the State Water Revolving Fund with the balance being a low-interest loan. The \$2,500,000 Micro-grid Solar Project being constructed at the Wastewater Management Facility will also be funded by the State Revolving Fund: half grant and half low-interest loan. \$70,000 has been earmarked for researching and Feasibility Study for alternative disinfection at the WWMF.

The remaining projects are for smaller dollar amounts. Chlorine Injector Controllers (\$10,000), another \$10,000 for the testing and replacement of customer meters greater than three inches (3"), \$50,000 for the Alternative Energy Master Plan, \$5,000 for an underground pipe locator and camera, \$12,000 for replacement of the recirculation valves at the treatment plant, and \$45,000 for Flow Totalizers. Funding for these listed projects will come from the grant funding or Reserves created by the Board for maintenance and replacement of capital infrastructure.

Office, Corporation Yard, Computers and Software

\$25,000 has been budgeted for architectural design of the District's operations and administrative office, with renovations to be completed in the following years. \$15,000 has been budgeted for the upgrade and replacement of software, various computers, and other office equipment.

Reclamation (Fischer & Pialorsi Ranch)

\$200,000 has been budgeted for two projects. One is to populate a portion of the ranch with trees for the Biofiltration (Tree Farm) project. The other is to develop the perc ponds that were closed during the Wastewater Management Facility renovation into habitat for rearing Coho salmon. Replacement and maintenance of underground valves and piping is scheduled, along with building and fencing improvements budgeted at \$50,000. \$30,000 has been earmarked for surveying the Pialorsi Ranch.

APPENDIX A

Small Equipment and Other

Evaluation and possible replacement of the GPS surveying equipment is scheduled in 2020-21 for \$20,000. Various types of emergency equipment comprise the rest of this line item.

Streetlights

Regular pole replacement (\$2,000) is scheduled for fiscal year 2020-21. No further Capital Improvement Projects are planned for this fiscal year in the Streetlights Fund.

Note on Exhibit 11 – Water & Sewer Funds Capital Improvement Program

The Water and Sewer Funds Capital Improvement Program's planned capital expenditures are shown in thousands: 10 = \$10,000. The planning horizon for the Program is 10 years. It should be noted that all estimated replacement costs are in current year dollars, as future inflation is unknown. Since the CIP is a dynamic plan that is updated annually, future costs will be regularly evaluated.

APPENDIX A

DRAFT Capital Improvement Plan Parks and General Fund Fiscal Year 2020-21

General Fund capital asset purchases and projects are significantly dependent upon property tax revenues and assessments. The Measure B Maintenance Assessment District -- Renewal for Parks, Open Space, and Recreational Facilities was renewed in FY2012-13 for 20 years.

CAPITAL IMPROVEMENT PROGRAM PROJECT DISCUSSION

Utility Vehicles and Equipment

In 1998, the Board adopted a Fleet Replacement Plan to ensure that MCSD's aging fleet of service vehicles would be replaced in an approximately ten-year cycle. Where possible, the District has started to exchange some of the heavier utility vehicles with light compact trucks for savings in capital and operating costs. The light duty truck scheduled to be replaced in fiscal year 2018-19 will be replaced in fiscal year 2020-21.

Facility Projects

\$15,000 has been budgeted for replacement of the carpet in the lobby of the Activity Center with a commercial vinyl floating floor. \$14,000 has been budgeted for the re-sealing of the parking lot at Hiller Sports Complex. Quimby funds will support the completion of these projects. \$10,000 has been budgeted to replace the carpeting in the Library. Grant funding will be sought to complete the library carpet project.

Parks and Trails Projects

The District will continue to pursue additional grant funding for new projects, which may be included in the budget in future years, but are contingent upon successfully receiving grants. No specific dollars have yet been allocated for the proposed Community Forest. As more information becomes available for that project, more accurate projections for required funding will be possible.

Small Equipment, Contingency and Other

Nothing has been set aside in the upcoming fiscal year for unanticipated capital emergency equipment repair or replacement of greater than \$5,000. Smaller and less expensive (more than \$500 but less than \$5,000) new equipment and emergency replacement of existing equipment cannot generally be anticipated. These are considered expenditures, rather than capital assets, and are included in the repairs/maintenance/supplies line of the Parks & General Fund Operating Budget.

APPENDIX A

Note on Exhibit 11 – Parks & General Fund Capital Improvement Plan

The Parks and General Fund Capital Improvement Program's planned capital expenditures are shown in thousands: 10 = \$10,000. The planning horizon for the Program is 10 years. It should be noted that all estimated replacement costs are in current year dollars since future inflation is unknown. Since the CIP is a dynamic plan that is updated annually, future costs will be regularly evaluated.

McKinleyville CSD Strategic Plan 2019-2022

Work Plan Section	PROJECT NAME	PROJECT MANAGER	CURR. FY CIP\$	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	EST. COMPLETION	TOTAL PROJECT % COMPLETE	STATUS/COMMENTS
1.0 Water												
1.1	Water Storage Tank Project	OD	\$ 5.4 Million	Grant funding acquired Begin Phase 1 / procure property. Circulate RFQ for design and select most qualified and proceed w/ design	Phase 2 construction	Construction completed and tank in service.	11 month warranty inspection			2022	5%	Geotech complete and complete negotiations
1.2	Emergency Water Crossing	OD	n/a	Test SOP	Test SOP/ Pursue grant funding for North Bank River Crossing. Include CIP for next round of Rate and Capacity Fee Studies	Pursue grant funding for North Bank River Crossing				2019	99%	Waiting for Arcata to add comments
1.3	Emergency Water Supply	GM/OD	\$ 50,000.00	Groundwater Mgmt Plan & Test Wells	Groundwater Mgmt Plan & review potential source water locations	Design	Emergency Source implementation			2020	10%	
1.4	Water Main Rehab and Replacement	OD	\$ 100,000.00	Build up reserves and determine workforce increase or contract work, Phase 3A soil study	Build up reserves and determine workforce increase or contract work, Complete Phase 3	Build up reserves, develop areas of concern and schedule using soil survey plan	Build up reserves and determine workforce increase or contract work	Start rehab and replacement			20%	Reserves will be built up to replace water mains when needed
1.5	Meter Testing and Replacement	OD	\$ 200,000.00	Phase 3 - Testing of larger meters	Phase 3 - Testing of larger meters. Update CIP \$ amounts for Rate Study	Plan replacement schedule for 2025				2022	5%	Will be completed this FY
1.6	F/H upgrade and installation in commercial area	OD	\$ 7,000.00	Install fire hydrants where requested by the fire department and pursue grant funding to retrofit dry barrel hydrants with wet barrel	Install fire hydrants where requested by the fire department and pursue grant funding to retrofit dry barrel hydrants with wet barrel	Install fire hydrants where requested by the fire department and pursue grant funding to retrofit dry barrel hydrants with wet barrel				2019	40%	Cost share with Fire Department
1.7	Cochran Emergency Generator Replacement	OD	\$ 50,000.00		Design & implementation					2021	0%	
2.0 Wastewater												
2.1	WWMF Improvement Proj/Biosolids Maint./NPDES Update	GM/OD	\$ 200,000.00	Ammonia Study Workplan/ Sludge depths (Biosolids Mgmt Plan), Create Biosolids Mgmt Plan	Ammonai Study (Mussel Survey)/ Sludge depths (Biosolids Mgmt Plan), Implement Biosolids Mgmt Plan	Ammonia Study Final Report/ CTR Priority Pollutant Scan/ Report of Waste Discharge/ Sludge depths (Biosolids Mgmt Plan)				2019	5%	Upgrade completed. Implement biosolids management plan

McKinleyville CSD Strategic Plan 2019-2022

Work Plan Section	PROJECT NAME	PROJECT MANAGER	CURR. FY CIP\$	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	EST. COMPLETION	TOTAL PROJECT % COMPLETE	STATUS/COMMENTS
2.2	Collection Sys Upgrades	OD	\$ 372,000.00	Grant funding aquired for three US 101 crossings/Design for Thiel crossing/	Install Thiel crossing/ Design Fischer and Letz crossing/ begin construction	Construction completed for all 3 crossings					20%	This will be scheduled and completed when build-out requires upgrade
2.3	Sewer Main Rehab and Replacement	OD	\$ 90,000.00	Build up reserves, Phase 3A soil study, develop areas of concern and schedule using soil survey plan	Build up reserves and determine workforce increase or contract work	Start rehab and replacement					20%	There is no completion date to this maintenance. I&I will be repaired when found and a plan for replacing pipe will be developed
2.4	Sewer Use Ordinance and Pre-Treatment Program	OD	n/a	Issue & administer grease trap permits/Conduct local limits study/Update Sewer Use Ordinance on local limits to reflect capabilities of new process	Issue & administer grease trap permits/Update Sewer Use Ordinance on local limits to reflect capabilities of new process/ 5 Year inspections due						Ongoing	
2.5	Reclamation Site Expansion and Upgrade	OD	\$ 5,000.00	Expand reclamation area/explore purchasing more property and implement findings of bio-filtration pilot study	Expand reclamation area/Finalize purchase of more property and implement findings of bio-filtration pilot study	Finalize procurement of reclamation site	Design irrigation system	Install/implement design		2021	20%	Pilot project placed in service
2.6	Percolation site decommissioning	GM/OD	n/a	Pursue grant funding for construction	Implementation					2020	30%	Fish & Wildlife and Coastal Conservancy Grant
2.7	Disinfection byproduct removal study and/ or ultraviolet disinfection study/ design and implementation	OD		Research alternatives for converting away from CL2 disinfection	Feasibility Study on Alternatives/Plan and budget for selected Alternative	Design and bid process	Construction and placed into service					

McKinleyville CSD Strategic Plan 2019-2022

Work Plan Section	PROJECT NAME	PROJECT MANAGER	CURR. FY CIP\$	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	EST. COMPLETION	TOTAL PROJECT % COMPLETE	STATUS/COMMENTS
2.8	Hiller Lift Station Upgrade Project	OD	240,000	Aquired Grant funding/ Design, bid and construction completed.						2020	20%	
2.9	Microgrid Project at WWMF	OD	\$ 2.9 Million	Grant aquired/ Design, Bid and construction	Construction of micrgrid	completion of construction and placed into service				2022	20%	
3.0 Streetlights												
3.1	Maintenance Programs	OD	n/a		Photocell replacement on all streetlights/Solicit proposals for pole instpections	Pole Inspections						Poles will be inspected for rot every 10 years. Completed 6/11
4.0 Parks & Recreation												
4.1	Sustainability Strategy*	GM/RD	\$ -	Implement Large Fundraising event; Add 2-3 revenue generating programs	Survey community for feasibility of increasing Meas. B	Implement process to re-assess Meas. B				2023	Ongoing	
4.2	Hewitt Ranch Park	OD/RD	to be determined	Pursue access from Cochran Rd.	Funding options brought to Board & consider environmental planning contingent on tank property purchase	Funding options brought to Board & consider environmental planning	Planning for parking area/create plan for development					This project is dependent on access from Cochran Road and tank site development
4.3	Washington Ave. Property	GM/OD/RD	to be determined	Possible park development (depending on funding)	Possible park development (depending on funding)	Possible park development (depending on funding)						Invasives have been removed, staff continues to mow quarterly
4.4	Community Forest *****	GM	to be determined	Define amenities of Community Forest as desired by the community residents	Define amenities of Community Forest as desired by the community residents	Identify potential properties; Identify possible funding sources for acquisition	Identify Forest management strategies for identified properties			2024		Working with TPL for grant funding

McKinleyville CSD Strategic Plan 2019-2022

Work Plan Section	PROJECT NAME	PROJECT MANAGER	CURR. FY CIP\$	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	EST. COMPLETION	TOTAL PROJECT % COMPLETE	STATUS/COMMENTS
4.5	Standards & Specs for OSMZ/Parks	GM/OD	n/a	Standards and Specifications being developed for all parks, facilities and open space maintenance zones	Standards and Specifications being developed for all parks, facilities and open space maintenance zones	Policy finalized and implemented				2020	25%	
4.6	Maintenance Standards/Checklist	OD	n/a	Determine necessity for checklist,SOP's & maintenance standards	Staff training					2020	50%	
4.7	Update Parks & Recreation Master Plan	RD	n/a	Conduct annual review	Conduct annual review	Complete Community Survey and initiate plan		Complete Plan		2019	100%	Begin next update process in 2022
5.0 Partnerships												
5.1	Strategic Partnership Plan ****			Meet with all 5 Hum. County Supervisors to facilitate regional cooperation; Meet with State Senator and Assembly Person to build/maintain political relationships	Create List of Current and Potential Partners; Create Rubric for determining whether or not partnership would be effective and beneficial; Ensure maintenance of regional and statewide political relationships	Outline the required steps and considerations for developing and implementing partnership agreements; Create a rubric of criteria for measuring the effectiveness of a partnership; Ensure maintenance of regional and statewide political relationships	Ensure maintenance of regional and statewide political relationships	Ensure maintenance of regional and statewide political relationships; Assess Partnership Plan rubrics for effectiveness	Ensure maintenance of regional and statewide political relationships	2023		
6.0 Personnel/Organization												
6.1	HR Compliance	GM/Dept. Heads	n/a	Create Policy for Biannual review of Supervisors Manual and Employee Handbook	Next scheduled reviews of Supervisors Manual & Employee Handbook	Next scheduled review of Employee Handbook	Next scheduled reviews of Supervisors Manual & Employee Handbook					Ongoing
6.2	District Disaster Preparedness & Public Education Campaign**			Host 2 Public education workshops; Create Process for updating education materials; Conduct All Staff tabletop exercise	Host 1-2 Public education workshops; Conduct All Staff tabletop exercise	Continue Improving and implementing Public Education Strategies; Conduct All Staff tabletop exercise	Continue Improving and implementing Public Education Strategies; Conduct All Staff tabletop exercise	Continue Improving and implementing Public Education Strategies; Conduct All Staff tabletop exercise		2023		
7.0 Administrative Management												

McKinleyville CSD Strategic Plan 2019-2022

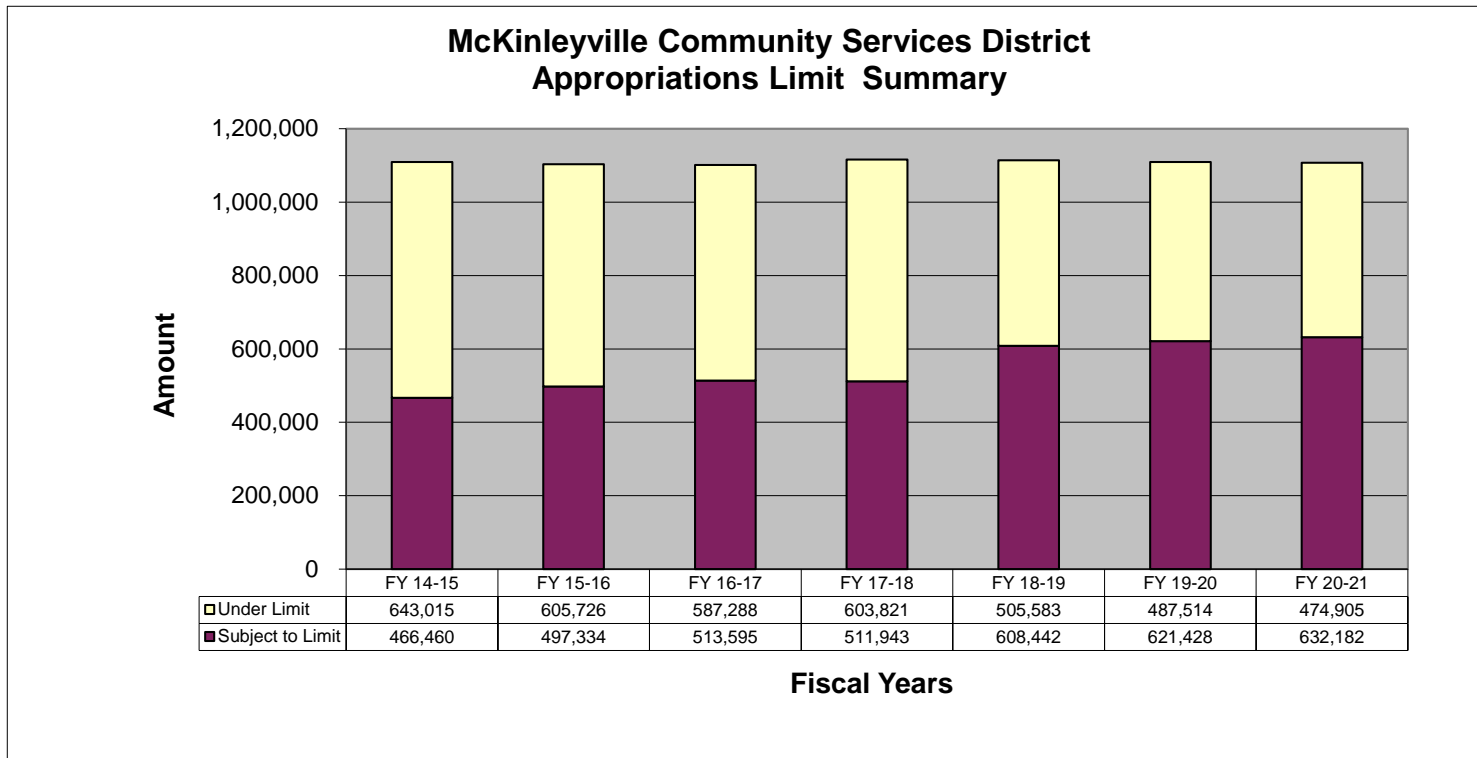
Work Plan Section	PROJECT NAME	PROJECT MANAGER	CURR. FY CIP\$	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	EST. COMPLETION	TOTAL PROJECT % COMPLETE	STATUS/COMMENTS
7.1	District Policies & Procedures	GM & Board	n/a	Development of Benefit Escalation Policy								Refocus on Benefit Escalation Policy
7.2	Records Retention	Admin Assist	n/a	Review Legislation for Compliance								
7.3	Update MCSD Website	Admin Assist		Investigate options and migrate to new website	Complete implementation					2021		
7.4	Continue to build upon Public Information Program	GM/Admin Assist	n/a	Website, newsletter, PSA's, social networking, looking for intern	Website, newsletter, PSA's, social networking, looking for intern							
7.5	Explore Alternative Energy Options	GM & Board	\$100,000.00	Complete Climate Action Plan	Implement climate change action plan	Continue to explore opportunities for energy efficiency and reduce reliance on fossil fuel					Ongoing	Continue working towards energy independence
7.6	Determine number of building permits allocated by the county within the District AND know the impact accommodating allocated permits will have on District service capacity.***			Integrate County information into District's Hydraulic Flow Analysis; Determine annual date for providing county info to MCSD Board						2021		
7.7	Administrative Office Remodel	GM	350,000	Design	Construction of new office begins	completion of office remodel				2022	20%	

McKinleyville CSD Strategic Plan 2019-2022

Work Plan Section	PROJECT NAME	PROJECT MANAGER	CURR. FY CIP\$	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	EST. COMPLETION	TOTAL PROJECT % COMPLETE	STATUS/COMMENTS
8.0 Finance												
8.1	Reserve Policy Implementation	GM/FD	n/a	Review & monitor	Review & monitor							Review and Update as required
8.2	Development of Financial Mgmt System	GM/FD	n/a	Begin implementation	Complete implementation					2020	3%	Enterprise Resource Planning (ERP)
8.3	Rate Studies	GM & Board	n/a		Capacity fee review and Prop 218						Ongoing	

McKinleyville Community Services District Appropriations Limit Calculation Summary FY 20-21 Budget

Prior Year Final Appropriation Limit		\$ 1,107,086
Allowed Compounded Percentage Increase from Prior Year ⁽¹⁾		
Non-Residential Assessed Valuation Percent Change	0.145%	
MCSD Unincorporated County Population Percent Change	-0.600%	
Compounded Percentage as an Adjustment Factor	-0.456%	
Annual Adjustment Amount to Appropriation Limit		(5,051)
Current Year Appropriation Limit		1,102,035
Current Year Adopted Budget Appropriations From Proceeds of Taxes ⁽²⁾		
Proceeds of Taxes From Adopted Budget ⁽³⁾	652,213	
Less Allowable Exclusion of Certain Appropriations ⁽³⁾	(20,032)	
Current Year Appropriations Subject to Appropriation Limit		632,182
Current Year Appropriations Under the Appropriation Limit ⁽³⁾		\$ (469,854)
Percentage Under the Limit		-43%



(1) From State Department of Finance, as required by State Law

(2) Proceeds of Taxes are certain revenues as defined by State Law and League of California Cities Article XIII B Appropriations Limit Uniform Guidelines - March 1991. See Worksheets for details.

(3) Summary of worksheets for above calculations of Appropriations Limit and Appropriations Subject to Limit.

Summary of Appropriations From Proceeds of Taxes	From Non Proceeds of Taxes	From Proceeds of Taxes	Total Appropriations
General Fund	647,747	652,213	1,299,960
Street Lighting Fund	116,818	-	116,818
Water Fund	4,488,043	-	4,488,043
Wastewater Fund	6,240,769	-	6,240,769
Total Proceeds and Non Proceeds of Taxes	11,493,377	652,213	12,145,590
Summary of Exclusions			
Court Order Costs	-	-	-
Federal Mandates	20,032	-	20,032
Qualified Capital Equipment	-	-	-
Qualified Debt Service	-	-	-
Total Exclusions to Appropriations Subject to Limit	20,032	-	20,032

McKinleyville Community Services District
APPROPRIATIONS LIMIT CALCULATION
FY 20-21 Budget

User Fees in Excess of Costs Analysis
(Worksheet #1 of Guidelines)

	Estimated User Fees Revenues & Expenditures	Allocation By Activity			
		Parks	Street Lighting	Water Operations	Wastewater Operations
GENERAL FUND - Parks					
Charges for Services	226,460	226,460			
Miscellaneous Fees & Reimbursements	16,612	16,612			
Total General Fund	243,072	243,072	-	-	-
Street Lighting Fund	116,818		116,818		
Water Operations Fund	4,488,043			4,488,043	
Wastewater Operations Fund	6,240,769				6,240,769
Total Estimate of User Fees	11,088,702	243,072	116,818	4,488,043	6,240,769
Current Year Adopted Budget					
Operations & Equipment	8,288,981	1,273,870	88,826	3,390,101	3,536,184
Allocations for Improvements	-				
User Fees (Under) or in Excess of Costs	2,799,721	(1,030,798)	27,992	1,097,942	2,704,585

McKinleyville Community Services District
APPROPRIATIONS LIMIT CALCULATION
FY 20-21 Budget

Calculation of Proceeds of Taxes and Interest Allocation (Worksheets #2 & #3 of Guidelines)

PROCEEDS AND NON-PROCEEDS OF TAXES REVENUE ANALYSIS	Revenue Estimates (1)	Use of Reserves or Fund Balances (2)	Net of Other Uses or Transfers To Other Funds	Net of Other Sources or Transfers From Other Funds	Total Appropriation of Funds (3)	Appropriations From	
						Non-Proceeds of Taxes	Proceeds of Taxes
General Fund							
Property Tax	633,841				633,841	-	633,841
Special Assessment	221,132				221,132	221,132	-
Charges for Services	226,460				226,460	226,460	-
Grants	28,400				28,400	28,400	-
Development Fees	125,315				125,315	125,315	-
Interest (4)	48,200				48,200	29,828	-
Miscellaneous Fees & Reimbursements	16,612				16,612	16,612	18,372
Other Financing Sources	-				-	-	-
Other Sources	-				-	-	-
TOTAL GENERAL FUND REVENUES	1,299,960	0	0	0	1,299,960	647,747	652,213
Street Lighting Fund	116,818	(25,992)				116,818	
Water Fund	4,488,043	(1,097,942)				4,488,043	
Wastewater Fund	6,240,769	(2,704,585)				6,240,769	
Debt Service Fund	-					-	
Total All Funds	12,145,590	(3,828,519)	-	-	1,299,960	11,493,377	652,213

(1) See Worksheet 2.1 for Detail to all Funds

(2) Use of reserves or fund balances are considered non-proceeds of taxes due to prior year appropriation of all fund balances to reserves. A (negative) amount reflects a budgetary increase to reserves or ending fund balance which will be reflected in the final budget appropriations.

(3) Includes all appropriations from all funds to reconcile to adopted budget resolutions.

(4) Interest is allocated between Proceeds and Non-Proceeds on a proportional basis.

**McKinleyville Community Services District
Revenue Estimates Detail
FY 20-21 Budget**

**Proceeds Detail (Worksheet 2.1
of Guidelines)**

Fnd	Acct	Estimated Revenue (2)	Less Non- Proceeds of Taxes	Net Proceeds of Taxes	Comments
General Fund - Parks					
41050	ADMIN FEE	5,000	5,000		Reimbursement for Services
42020	PROC. FEES	1,600	1,600		User Fees for Services
42030	BAD CHECK FEES	40	40		Miscellaneous Fees and Reimbursements
43002	REFUNDS/REBATES	100	100		Miscellaneous Fees and Reimbursements
43195	OTHER OP. REV.	8,000	8,000		Miscellaneous Fees and Reimbursements
43197	LEASE REVENUE	2,172	2,172		Use of Property fees
44000	OPEN SPACE FEES	97,115	97,115		Development Fees
45000	OPEN SPACE FEES	18,200	18,200		Development Fees
47050	MSC PAYROLL REM	-	-		Miscellaneous Fees and Reimbursements
47999	EVENT RENTALS	12,850	12,850		User Fees for Services
48000	COMM. EVENTS	-	-		User Fees for Services
48001	VENDOR CONTRACT	22,250	22,250		User Fees for Services
48002	EVENT SERVICES	1,100	1,100		User Fees for Services
48010	INSURANCE FEES	515	515		User Fees for Services
48020	AD INCOME	300	300		User Fees for Services
48040	COMMISSIONS VND	-	-		User Fees for Services
48050	REC. PROGRAMS	188,670	188,670		User Fees for Services
48051	FRF DISCOUNT	(825)	(825)		User Fees for Services
48055	PROGRAM GRANTS	18,400	18,400		Related to Restricted Grants
48070	SALE OF SCRAP	-	-		Use of Property fees
50001	INT. REVENUE	48,200	29,828	18,372	Allocated
51001	SECURED TAXES	633,841		633,841	
51060	MEASURE B ASSMT	221,132	221,132		Special Assessment Restricted Specific Use
52000	OTHER INCOME	-	-		Miscellaneous Fees and Reimbursements
53001	CONTRIBUTIONS	1,300	1,300		Donations
53002	QUIMBY FEES	10,000	10,000		Development fees
54001	STATE GRANTS	10,000	10,000		Related to Restricted Grants
56000	GAIN ON DISPOSAL	-	-		Miscellaneous Fees and Reimbursements
Total General Fund		1,299,960	647,747	652,213	
Street Lighting					
41050	ADMIN FEE	15,000	15,000		
42020	PROC. FEES	3,500	3,500		
43195	OTHER OP. REV.	-	-		
47001	ST. LIGHT CHGS	91,818	91,818		
47001	ST. LIGHT CHGS	6,450	6,450		
50001	INT. REVENUE	50	50		
Total Street Lighting		116,818	116,818	-	User Fees for Services
Water Fund					
40000	WATER BASE CHG	1,654,150	1,654,150		
40001	MTR. WATER SALE	2,263,594	2,263,594		
41001	NEW SVC. FEES	26,000	26,000		
41002	INSTALLATION FEES	-	-		
41020	PL. CK. FEE DEP	1,000	1,000		
42001	PERMIT FEES	1,000	1,000		
42010	CONN. FEES	100,000	100,000		
42020	PROC. FEES	17,500	17,500		
42030	BAD CHECK FEES	500	500		
42040	RECONN. FEES	9,000	9,000		
42050	DCV INSPECTION	22,000	22,000		
43010	REC. BAD DEBTS	850	850		
43190	CELL TOWER REV.	15,549	15,549		
43195	OTHER OP. REV.	10,000	10,000		
43197	LEASE REVENUE	3,600	3,600		
43198	PAVING FEES	3,000	3,000		
43199	SERVICE UPGRADE	-	-		
46000	AFTER HRS CHGS	1,000	1,000		

**McKinleyville Community Services District
Revenue Estimates Detail
FY 20-21 Budget**

**Proceeds Detail (Worksheet 2.1
of Guidelines)**

Fnd	Acct	Estimated Revenue (2)	Less Non- Proceeds of Taxes	Net Proceeds of Taxes	Comments
48060	EQUIP USAGE FEE	450	450		
48070	SALE OF SCRAP	350	350		
50001	INT. REVENUE	50,000	50,000		
50005	LATE CHARGES	12,500	12,500		
51011	CONTRIB CONST	100,000	100,000		
52000	OTHER INCOME	1,000	1,000		
54001-2	GRANTS	183,500	183,500		
56000	GAIN ON DISPOSAL	4,000	4,000		
57000	UNREALIZED GAIN/LOSS	7,500	7,500		
Total Water		4,488,043	4,488,043	0	User Fees for Services
Wastewater Fund					
40002	SWR SVC CHGS.	4,004,460	4,004,460		
40010	STORM WATER FEE	350	350		
41001	NEW SVC. FEES	22,000	22,000		
41002	INSTALLATION FEES	-	-		
41020	PL. CK. FEE DEP	1,500	1,500		
41040	SWR CONST PRMT	3,000	3,000		
42001	INSPECTION FEES	-	-		
42010	CONN. FEES	100,000	100,000		
42020	PROC. FEES	-	-		
42030	BAD CHECK FEES	300	300		
42040	RECONN. FEES	-	-		
42050	DCV INSPECTION	-	-		
43010	REC. BAD DEBTS	900	900		
43190	CELL TOWER REV.	15,549	15,549		
43195	OTHER OP. REV.	7,500	7,500		
43197	LEASE REVENUE	25,960	25,960		
43198	PAVING FEES	1,000	1,000		
46000	AFTER HRS CHGS	-	-		
48060	EQUIP USAGE FEE	-	-		
48070	SALE OF SCRAP	-	-		
50001	INT. REVENUE	75,000	75,000		
50005	LATE CHARGES	12,000	12,000		
51011	CONTRIB CONST	75,000	75,000		
52000	OTHER INCOME	1,000			
54001-2	GRANTS	1,880,250			
56000	GAIN ON DISPOSAL	5,000	5,000		
57000	UNREALIZED GAIN/LOSS	10,000	10,000		
Total Wastewater		6,240,769	4,359,519	0	User Fees for Services
Debt Service					
Total Debt Service		-	-	-	Debt Related
Total All Funds		12,145,590	9,612,127	652,213	

McKinleyville Community Services District
APPROPRIATIONS LIMIT CALCULATION
FY 20-21 Budget

Calculation of Appropriations Subject to Limit (Worksheet #4 of Guidelines)

	<u>Adopted Budget</u>
Total Appropriations From Proceeds of Taxes (From Worksheet # 2)	\$ 652,213
Less Allowed Exclusions (From Worksheet #7)	(20,032)
Current Year Appropriations Subject to Limit	<u>\$ 632,182</u>
Current Year Appropriations Limit (From Worksheet #6)	1,102,035
Current Year Appropriations Over or (Under) Limit	<u>\$ (469,854)</u>
Percentage Over or (Under) Limit	<u><u>-43%</u></u>

McKinleyville Community Services District

APPROPRIATIONS LIMIT CALCULATION

Population and Growth Factors (Worksheet #5 of Guidelines)

FY 20-21 Budget

	Percent Change Indices		Percent Change in Population [1]		Allowed Annual Percent Growth in Appropriations Limit	Revised Appropriations Limit [2]
	Percent Change in Per Capita Personal Income [3]	Percent Change in Annual Non-Residential Assessed Valuation growth to Total Growth [4]	MCS D (Unincorporated County)	Humboldt County Total		
FY 07-08	4.42	-14.41	0.17	0.44	104.87945%	438,846
FY 08-09	4.29	22.13	0.83	0.64	123.14368%	540,411
FY 09-10	0.62	12.02	0.57	0.45	112.65851%	608,820
FY 10-11	-2.54	37.77	0.69	0.53	138.72061%	844,558
FY 11-12	2.51	10.50	0.72	0.66	111.29560%	939,956
FY 12-13	3.77	16.80	0.10	0.00	116.91680%	1,098,967
FY 13-14	3.10	0.02	0.50	0.40	100.51970%	1,104,678
FY 14-15	-0.23	0.50	-0.1	-0.03	100.43433%	1,109,476
FY 15-16	3.82	-0.08	-0.5	-0.30	99.42169%	1,103,060
FY 16-17	5.37	-0.30	0.1	0.00	99.80269%	1,100,883
FY 17-18	3.69	0.25	1.1	1.00	101.35177%	1,115,765
FY 18-19	3.67	0.25	-0.4	-0.30	99.84407%	1,114,025
FY 19-20	3.85	0.14	-0.6	-0.54	99.54377%	1,108,942
FY 20-21	3.73	0.23	-0.4	-0.40	99.83264%	1,107,086

[1] From State Department of Finance per Article XIII B of the California Constitution every May 1st for following Fiscal Year Appropriations Calculation. A 1991 amendment to Article XIII-B dropped use of the CPI and allowed for revising limit with PCI or Growth in non-residential assessed valuation and City or County population growth factors back to FY 87-88. The MCS D may selection by resolution the growth factors to be used to calculate the annual Appropriations Limit. The **Bold type** indicate Factor used in calculation for the individual Fiscal Year.

[2] Appropriations Limit calculation have been revised to correct factors and mathematical calculations. Previous Appropriations limits and combined percentage growth from June 20, 2007 Board Agenda report.

[3] PCI = Per Capita Personal Income - California 4th Quarter - Calculated by State Department of Finance. See Price-Population Letter, Annual

[4] Percent of annual growth in non-residential assessed valuation is from information provided by the Humboldt County Assessor's office on values and property classifications and is calculated as the percent of change in non-residential property valuation to the change in total valuation. Application of the percent change in non-residential valuation is from the prior fiscal year change. For example, the percent change in FY 03-04 of 8.14% was the change in non-residential assessed valuation in FY 02-03 from FY 01-02.

McKinleyville Community Services District
APPROPRIATIONS LIMIT CALCULATION
FY 20-21 Budget

Appropriations Limit Calculation (Worksheet #6 of Guidelines)
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Prior Year Appropriations Limit (From Worksheet #5)	\$ 1,107,086
Current Year Growth Factors (From Worksheet #5)	
Non-Residential Assessed Valuation Percent Change	0.14%
MCSD Unicorporated County Population Percent Change	-0.60%
Compounded Total Percentage Adjustment Factor	-0.456%
Current Year Annual Adjustment Amount	\$ (5,051)
Other Adjustments to Limit (see detail worksheets)	
Reduction In Limit	
Loss of Responsibility	0
Transfer of Services to Private Sector	0
Transfer of Services to Fees	0
Increase in Limit	
Assumed Responsibility of Services	0
Total Adjustments to Limit	\$ -
Current Year Appropriations Limit	\$ 1,102,035

McKinleyville Community Services District
APPROPRIATIONS LIMIT CALCULATION
FY 20-21 Budget

Exclusions to Appropriations Limit (Worksheet #7 of Guidelines)
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	Exclusions
Court Orders	-
Federal Mandates	
Fair Labor Standards Act Payments	-
FICA and Medicare Payments	16,177
Unemployment Payments	3,855
Total Federal Mandates	20,032
Qualified Capital Outlays (Assets of over \$100,000)	-
Total Qualified Capital Outlays Paid From Proceeds of Taxes	-
Qualified Debt Service	
Total Qualified Debt Service Paid From Proceeds of Taxes	-
Total Exclusions	20,032