

Mission Hills Community Services District

2023/24 Fiscal Year Budget

Presented to the Board of Directors

May 24, 2023

Steve Dietrich, President
Jim Mac Kenzie, Vice President
Myron Heavin
Jim Keeling
Matt Starbuck

Proposed by:

Brad Hagemann General Manager

Fund Balances

MISSION HILLS COMMUNITY SERVICES DISTRICT

Cash Account Balances Estimated FY 2022/23 Ending Balances

General Checking Accounts -

Total Approx Ending Balance

Coast Hills	\$	280,000
Five Star Operating	\$	152,000
Estimated Ending Balance 06/30/23	<u>\$</u>	432,000
Reserve & Restricted Account Balances		
LAIF	\$	1,767,000
RNC	\$	682,000
Five Star Development	\$	262,000
Five Star Money Market	\$	1,068,000
Estimated Reserve Ending Balance 06/30/23	\$	3,779,000

06/30/23

4,211,000

Budget Summary

Final FY 2023/2024 Operating Budget

	Α	В		С		D		E		F	ı	ı
1	,,	Mission Hills Community Services District	1	Ç		J .		-			,	L
2		Final Fiscal Year 2023-2024 Budget	1									
3				CONSOLIDATED TOTAL FOR ALL FUNDS								
4												
5					EVI	E 2023 ANNUAL	ΕVI	E 2023 ANNUAL				
6		Revenue	FY	E 2022 ACTUAL		BUDGET		PROJECTION	FYE	2024 PROPOSED	Daniel Control	
7	_		ć	F2 C20	ć		ć		ć	40,000	Reason for Changes Estimate including late fees being charged for full fiscal year	
8		Late Fees/Charges Water Service	\$	53,629 1,293,445	\$	50,000 1,250,000	¢	31,097 1,276,390	\$ د	40,000 1,358,034	Estimate including late rees being charged for full fiscal year	
9		Sewer Service	ç	1,004,500	ç	1,005,000	ç	1,034,871	ç	1,173,590	Including Rate Study Rates	
10		Street Sweeping	\$	18,021	¢	18,000	¢	1,034,871	\$ د	1,173,590	Including Rate Study Rates	
			_		ې د		۶ •		۶		Illicidding Rate Study Rates	
11	5	Total Operating Revenue	\$	2,369,596	\$	2,323,000	\$	2,360,427	\$	2,589,624		
12												
13												
			FV	E 2022 ACTUAL	FYE	2023 ADOPTED		E 2023 ANNUAL	EVE	2024 PROPOSED		
14		Operating Expenses		L LULL ACTUAL		BUDGET		PROJECTION	111	20241 1101 0320	Reason for Changes	
	6										Anticipates full staffing, Promotions, Certification Advancements and 8.7% COLA	
15	U	Salaries & Wages	\$	670,316	\$	705,000	\$	678,617	\$	787,873		
16	7	Employee Benefits & Payroll Taxes	\$	204,976	\$	250,000	\$	284,147	\$	285,000	Fully Staffed	
17	8	Director Fees	\$	14,125	\$	16,500	\$	7,000	\$	15,000	More Meetings expected for 2023	
18	9	Depreciation (Reserves)	\$	372,654	\$	375,000	\$	372,648	\$	372,648	Slight Increase in Depreciation	
19	10	Election Expense	\$	-	\$	3,000	\$	-	\$	-	No Positions Required	
20		Vehicle Expense	\$	30,744	\$	23,000	\$	31,125	\$	30,000	Slightly Lower Projection - Newer Vehicle	
21		Insurance	\$	12,523	\$	25,000	\$	74,170	\$	40,000	Insurance Cost Flat with FYE 22 - Good Safety Record	
22		Memberships	\$	25,015	\$	30,000	\$	39,667	\$	40,000	Plan on Decreasing Memberships from FYE 22	
23		Office Expenses	\$	28,386	\$		\$	21,820	\$	25,000	Sligtly Lower Projection from FYE 22	
24	15	Operating Supplies	\$	50,114	\$	25,000	\$	18,433	\$	20,000	Need to Lower costs from FYE 22	
	16	Chemicals										
25			\$	82,383	\$	100,000	\$	68,243	<u>Ş</u>		Slight Increase from FYE 2022 Projected	
26		Safety	\$	5,297	\$	5,000	\$	5,732	<u>Ş</u>	5,000	Flat Projection	
27		Contractual Services	\$	206,201	\$	125,000	\$	126,160	\$	125,000	Contemplates Decrease in FYE22 Actual Costs	
28		Professional Services	\$	227,800	\$	125,000	\$	64,134	\$	70,000	Flat Projection	
29		Equipment Lease	\$	9,481	\$	13,500	\$	9,759	<u> </u>	7,500	Flat Projection	
30 31		Printing & Publication Monitoring (Lab Samples)	\$	7,075 37,069	۶ ċ	5,300 36,000	\$	3,054 18,550	¢	5,000 25,000	Slight Reduction From FYE 2022 Budget Flat Projection	
32		Training/Meetings/Meals	\$	11,724	\$	15,000		11,052	¢		Slight Reduction From FYE 2022 Budget	
33		Utilities	\$	11,724	ç	220,000	\$	204,121	ç	20,000	Contemplates Increase in Utilities Expense - Due to Inflation	
34		Government Fees	\$	44,611	ç	·	\$	56,795	ċ	100,000	Anticipates Slight Increase in FYE 22 Projected Costs	
35		Repairs & Maintenance	\$	66,962	ċ	80,000	\$	71,235	ċ	80,000	Contemplates Reduction in Repairs & Maintenance Expense	
36		Ratepayer write offs	\$		\$	25,000	т	71,235	Ś	25,000	Contemplates Neutring Off Old Debts	
-			÷		-	·	_		<u>,</u>		Sometime on our people	
37	28	Total Operating Expenses	\$	2,308,747	\$	2,262,300	Þ	2,166,460	\$	2,378,021		
38			<u> </u>									
39		Net Operating Gain/(Loss)	\$	60,849	\$	60,700	\$	193,967	\$	211,603		
40												· <u> </u>
41											\$ 1,072,873	Check
51											1,072,073	CITCUR
52												
53												
54												
55												
23												

Capital Equipment/Projects

FY 23/24 Wastewater - 5-Year Capital Improvement Plans Final (May 2023)	2	023/24	2024/25	2	2025/26	2026/27		2027/28	
Collections									
Video & Clean Sewer Lines	\$	20,000	\$ 30,000	\$	20,000	\$	-	\$ -	
Equipment									
Replace Dump Truck (50%)	\$	-	\$ -	\$	-	\$	32,500	\$ -	
Replace Vehicle 2007 GMC Pickup	\$	-	\$ 60,000	\$	-	\$	-	\$ -	
Replace Ops Truck (50%)	\$	30,000		\$	-	\$	-	\$ -	
New Jetter	\$	65,000	\$ -	\$	-	\$	-	\$ -	
Lift Station									
Lift Station Upgrades (limited scope)									
Lift Station (Replace Lift Station with back-up power)	\$	75,000	\$ 250,000	\$	250,000	\$	-	\$ -	
Lift Station - Wet Well Coating	\$	-	\$ -	\$	-	\$	-	\$ -	
Wastewater SCADA Install	\$	25,000	\$ 15,000	\$	-	\$	-	\$ -	
Property Acquisition	\$	-	\$ -	\$	-	\$	-	\$ -	
Line Pond #8 to reduce Lift Station overflow impact	\$	-	\$ -	\$	-	\$	-	\$ -	
Sewer Treatment									
Pond Valve Stem Replacement	\$	40,000	\$ 40,000	\$	40,000	\$	40,000	\$ 40,000	
Aeration System Replacement	\$	-	\$ -	\$	-	\$	100,000	\$ -	
Pond Rehabilitation or Upgrade	\$	-	\$ -	\$	-	\$	-	\$ 100,000	
Sludge Removal	\$	-	\$ -	\$	-	\$	100,000	\$ 100,000	
New Wastewater Treatment System - Addt'l. Loads	\$	-	\$ -	\$	-	\$	-	\$ -	
Solar/Battery Energy (50% Wastewater)									
Bid Documents, Specifications, PM Estimate	\$	-	\$ 	\$	-	\$	-	\$ 	
Solar/Battery Energy Installation	\$	-	\$ _	\$	-	\$	-	\$ -	
Total	\$	255,000	\$ 395,000	\$	310,000	\$	272,500	\$ 240,000	
Contingency	\$	25,500	\$ 39,500	\$	31,000	\$	27,250	\$ 24,000	
TOTAL	\$	280,500	\$ 434,500	\$	341,000	\$	299,750	\$ 264,000	

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1	FY 23/24 Water - 5-Year Capital Improvement Plans - Final May 24, 2023		2023/24		2024/25		2025/26		2026/27		2027/28	
2	Distribution											
3												
4	Valve Replacement Project	\$	25,000	\$	25,000	\$	25,000	\$	25,000	\$	25,000	
5	Upgrade Cla-Vals - Pressure Reducing Stations	\$	15,000	\$	-	\$	15,000	\$	-	\$	15,000	
6	Meter Replacement Program	\$	75,000	\$	75,000	\$	75,000	\$	75,000	\$	75,000	
7	Water Main Replacement (New line from Reservoirs)	\$	-	\$	-	\$	-	\$	150,000	\$	150,000	
8	SCADA System	\$	15,000	\$	15,000	\$	15,000	\$	15,000	\$	15,000	
9												
10	Equipment											
11	Backup Generator - Shop w/Auto Transfer Switch	\$	40,000	\$	-	\$	-	\$	-	\$	-	
12	Replace Dump Truck	\$	-	\$	-	\$	-	\$	32,500	\$	-	
15	Replace Ops Truck (50%)	\$	30,000	\$	-	\$	-	\$	-	\$	-	
16	Storage											
17	Rehabilitate Reservoir Tanks											
18	Tank #1 East (Repair)	\$	200,000	\$	-	\$	-	\$	-	\$	-	
19	Tank #2 West (Initial Repair)	\$	250,000	\$	-	\$	-	\$	-	\$	-	
20	Raw Water Reservoir	\$	75,000	\$	700,000	\$	700,000	\$	-	\$	-	
21	Treatment											
22	Water Treatment Plant Filter Media/Upgrade Analyzers	\$	30,000	\$	-	\$	-	\$	-	\$	50,000	
23	Wells & Pumping											
24	New Well Installation - #8 (Reimbursement by Others)	\$	75,000	\$	700,000	\$	700,000	\$	-	\$	-	
25	Well #6 Rehabilitation	\$	80,000	\$	-	\$	-	\$	-	\$	-	
26	Well #7 Rehabilitation	\$	-	\$	-	\$	-	\$	-	\$	80,000	
27	Well #5 Rehabilitation	\$	-	\$	-	\$	80,000	\$	-	\$	-	
28	Solar Energy (50% Water)											
29	Construction Bid Documents, Specifications, PM Estimate	\$	-	\$	-							
30	Solar Energy Installation	\$	-	\$	-							
31	Sub Total	\$	910,000	\$	1,515,000	\$	1,610,000	\$	297,500	\$	410,000	
32	Contingency	\$	91,000	\$	151,500	\$	161,000	\$	29,750	\$	41,000	
33	TOTAL	\$	1,001,000	\$	1,666,500	\$	1,771,000	\$	327,250	\$	451,000	

Water and Sewer Rates

Current and Proposed Wastewater Fixed and Variable Charges

Rate Description	Current Rate	October 1, FY 22-23	July 1, FY 23-24	July 1, FY 24-25	July 1, FY 25-26	July 1, FY 26-27
Monthly Fixed Charges						
Residential	\$63.83	\$68.82	\$74.60	\$80.87	\$87.66	\$95.02
Commercial	\$63.83	\$68.82	\$74.60	\$80.87	\$87.66	\$95.02
School (per ADA	\$1.17	\$1.24	\$1.34	\$1.46	\$1.58	\$1.71
Variable Charges						
Commercial	\$3.87	\$5.04	\$5.46	\$5.92	\$6.42	\$6.96

Current and Proposed Water Fixed Charges

	Current Rate	October 1, FY 22-23	July 1, FY 23-24	July 1, FY 24-25	July 1, FY 25-26	July 1, FY 26-27
		Fi	xed Charge (\$	per month)		
Meter Size						
3/4" 3/4" x 1" (residential only)	\$43.52 \$48.56	\$42.01 \$42.01	\$44.32 \$44.32	\$46.76 \$46.76	\$49.33 \$49.33	\$52.04 \$52.04
1" 1.5"	\$48.56 \$55.28	\$43.47 \$45.42	\$45.86 \$47.92	\$48.38 \$50.56	\$51.04 \$53.34	\$53.85 \$56.27
2"	\$73.74	\$50.78	\$53.57	\$56.52	\$59.63	\$62.91
3"	\$209.79	\$90.25	\$95.21	\$100.45	\$105.97	\$111.80
4"	\$260.18	\$104.87	\$110.64	\$116.73	\$123.15	\$129.92

Current and Proposed Water Variable Charges

	Current Rate	October 1, FY 22-23	July 1, FY 23-24	July 1, FY 24-25	July 1, FY 25-26	July 1, FY 26-27
		Vai	riable Charge	(\$ per HCF)		
Residential						
Tier 1 - 0 to 9 units	\$2.46	\$2.31	\$2.44	\$2.57	\$2.71	\$2.86
Tier 2 - 10 to 19 units	\$2.46	\$2.57	\$2.71	\$2.86	\$3.02	\$3.19
Tier 3 - 19 and Over	\$2.46	\$3.85	\$4.06	\$4.28	\$4.52	\$4.77
Commercial						
All Consumption	\$2.46	\$3.62	\$3.82	\$4.03	\$4.25	\$4.48
Irrigation						
All Consumption	\$2.46	\$3.96	\$4.18	\$4.41	\$4.65	\$4.91
Hydrant Meter		-				
All Consumption	\$2.46	\$6.67	\$7.04	\$7.43	\$7.84	\$8.27