

# McKINLEYVILLE



## COMMUNITY SERVICES DISTRICT



### **BUDGET**

**For the Fiscal Year Ending June 30, 2018**

Adoption Date: June 7, 2017

#### MCSO BOARD OF DIRECTORS

Dennis Mayo, President  
David Couch, Vice President  
Mary Burke, Director  
John Corbett, Director  
George Wheeler, Director

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

**For the Fiscal Year Ending June 30, 2018**

**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, 2017 through June 30, 2018. 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 14.
- MCSD's Capital Improvement Program Budgets and Narratives are shown in Appendix A, beginning at Page 18.
- MCSD's Board approved Strategic Plan Matrix is shown in Appendix B, beginning at Page 26
- The Appropriations Limit calculations required by law for the Fiscal Year 2017-18 are included in Appendix C, starting on Page 33.

## 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 expected to be completed in this 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](http://www.mckinleyvillecsd.com)). District staff and Directors can be reached by e-mail at [mcsd@mckinleyvillecsd.com](mailto:mcsd@mckinleyvillecsd.com).

## **MISSION STATEMENT**

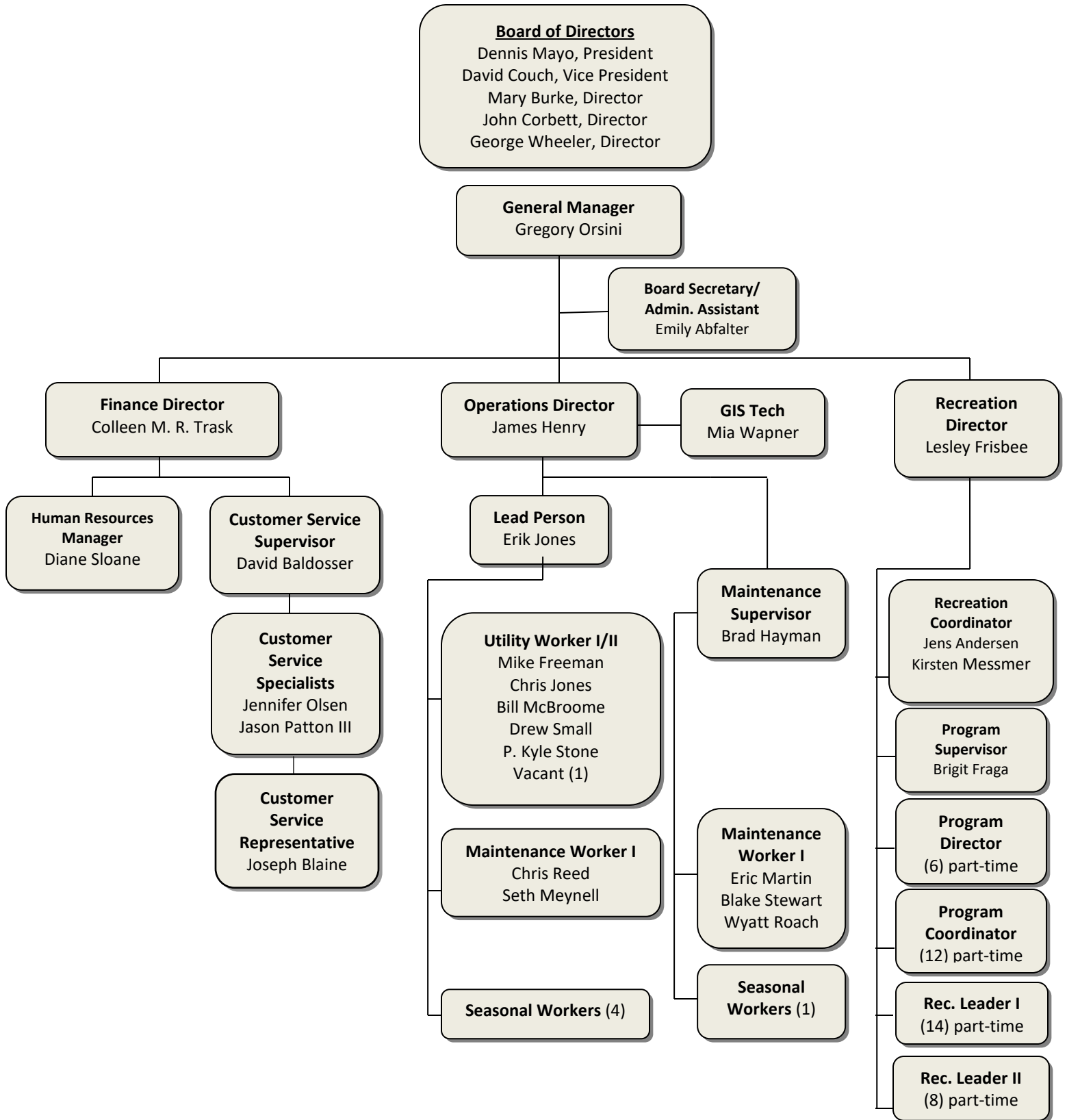
Provide McKinleyville with safe and reliable water, wastewater, lighting, open space, parks and recreation, and library services in an environmentally and fiscally responsible manner.

## **STRATEGIC PLAN MATRIX**

The District's Goals for any given year derive from the Board-approved Strategic Plan, which has a five-year planning horizon that is updated by the Board in January of each year. The updated Strategic Plan is incorporated into the approved Budget by reference (at the pleasure of the Board) upon annual approval of the budget. The Strategic 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 2017-18  
 Revised May 12, 2017



**McKINLEYVILLE COMMUNITY SERVICES DISTRICT**  
**Full Time Equivalents**  
**For the Fiscal Year ending June 30, 2018**

	<b>Full-Time Benefitted</b>	<b>Part-Time &amp; Seasonal</b>	<b>Total FTEs</b>
<b>General Manager</b>	<b>1</b>	<b>0</b>	<b>1</b>
<b>Support Services</b>	<b>7</b>	<b>0</b>	<b>7</b>
<b>Operations</b>	<b>10</b>	<b>4</b>	<b>12</b>
<b>Parks &amp; Recreation</b>	<b>8</b>	<b>56</b>	<b>14</b>
<b>Total</b>	<b>26</b>	<b>60</b>	<b>34</b>

**McKinleyville Community Services District**  
**Exhibits of Financial Information**  
**Budget for the year ending June 30, 2018**

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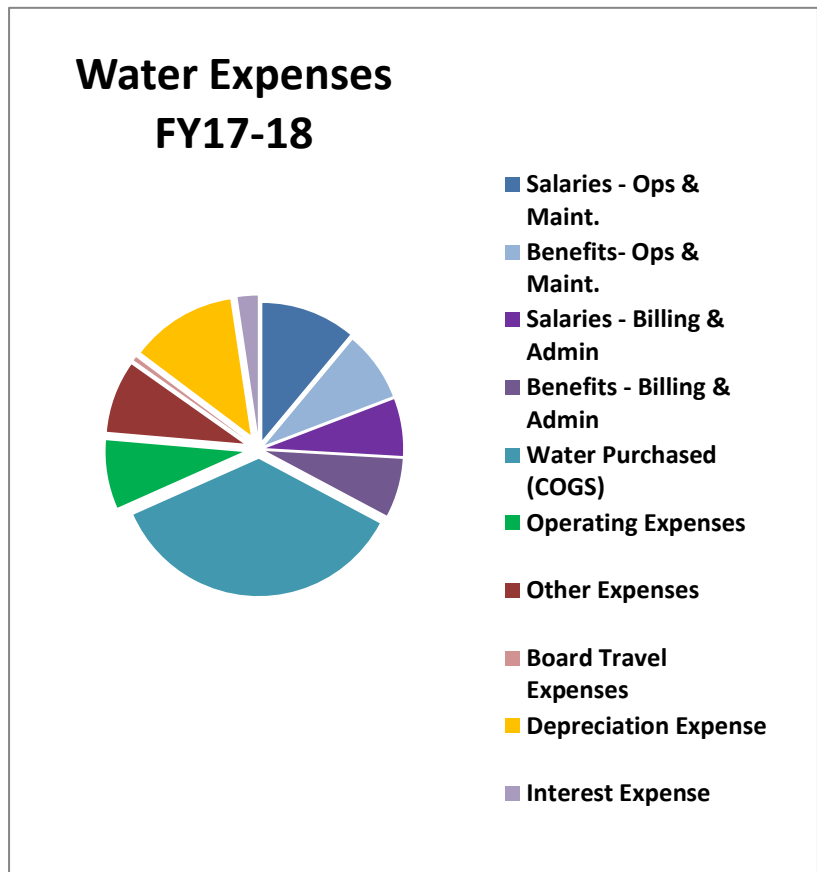
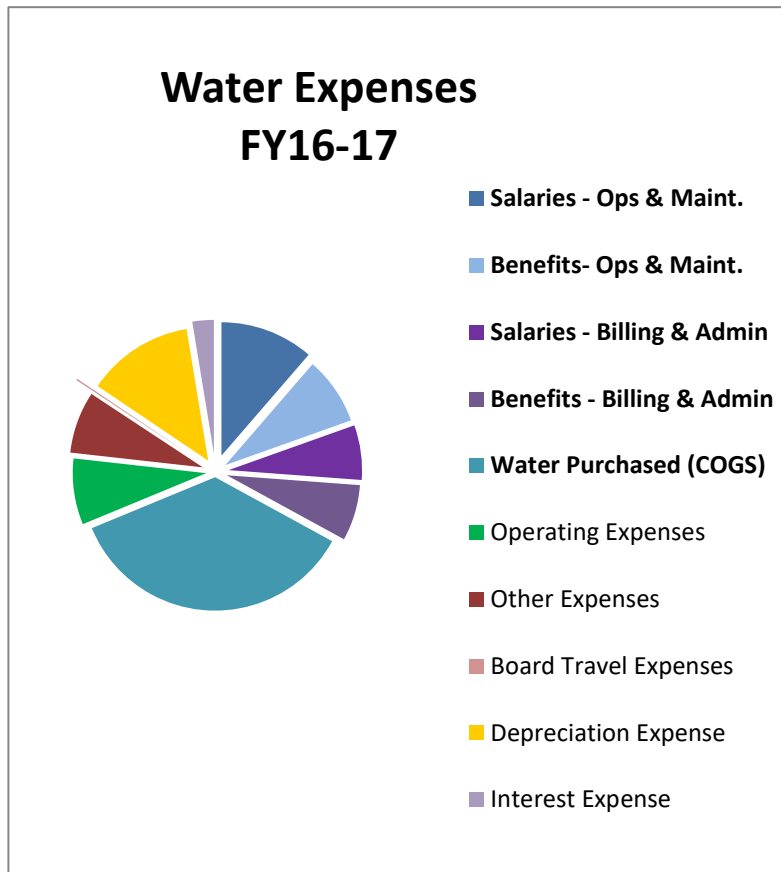


**McKinleyville Community Services District**  
**Summary Budgets - All Funds**  
**FY 2017-18**

Description	Water Fund	Wastewater Fund	Streetlights Fund	Gen'l/Parks & Meas. B Funds	Total (Memorandum Only)
<b>Revenues</b>					
Water Sales	3,633,137				3,633,137
Sewer Service Charges		3,392,157			3,392,157
Capacity Fees	100,000	175,000			275,000
Streetlight Charges			83,800		83,800
Program Fees	-			418,939	418,939
Facility Fees	-			118,000	118,000
Property Taxes	-			525,000	525,000
Measure B Assessment	-			214,662	214,662
Open Space Fees	-			104,077	104,077
Contributions & Other Program	-			2,000	2,000
Other Revenue	136,356	83,300	17,450	16,232	253,338
Contributed Construction	150,000	150,000		-	300,000
Proceeds from Long Term Debt (Gov't only)			-	-	-
Quimby Fees/Capital Proj. Grants	-			25,000	25,000
Interest Revenue	25,000	22,000	-	10,000	57,000
<b>Total Revenues</b>	<b>4,044,493</b>	<b>3,822,457</b>	<b>101,250</b>	<b>1,433,910</b>	<b>9,402,110</b>
<b>Expenditures</b>					
Salaries & Benefits - Operations & Maint.	542,684	605,869	2,649		1,151,202
Salaries & Benefits - Billing & Admin	384,718	388,889	40,901		814,508
Salaries & Benefits - Rec Programs	-			368,610	368,610
Salaries & Benefits- Parks Maintenance	-			245,385	245,385
Salaries & Benefits- Parks&Rec Admin	-			380,662	380,662
Water Purchased (COGS)	1,005,260				1,005,260
Water & Electrical Expense		225,600			225,600
Operating Expenses	227,300	300,250	16,500		544,050
Other Expenses	238,277	254,169	18,841		511,287
Other Expenditures - Rec Programs	-			36,585	36,585
Other Expenditures - Parks Maintenance	-			136,220	136,220
Other Expenditures - Parks&Rec Admin	-			99,095	99,095
Depreciation Expense	350,000	495,000			845,000
Board Travel Expense	13,200	3,200	320	1,280	18,000
CalPERS UAL - Gov't Funds only				32,106	
Debt Service			19,865	82,831	102,696
Interest Expense	67,000	932,069		44,619	1,043,688
Parks/Meas.B Capital Expenditures	-		2,000	42,000	44,000
<b>Total Expenditures</b>	<b>2,828,439</b>	<b>3,205,046</b>	<b>101,076</b>	<b>1,469,393</b>	<b>7,571,848</b>
<b>Excess (Deficit)</b>	<b>1,216,054</b>	<b>617,411</b>	<b>174</b>	<b>(35,483)</b>	<b>1,830,262</b>
<b>Fund Balance - July 1, 2016</b>	<b>7,943,019</b>	<b>15,881,943</b>	<b>36,216</b>	<b>629,549</b>	<b>24,490,727</b>
Projected Surplus (Deficit) FY2016-17	1,226,569	1,453,039	15,066	(96,605)	2,598,068
Debt Principal FY2016-17 (Enterprise only)	(151,866)	(149,171)			(301,037)
New Borrowing FY2016-17(Enterprise only)	-	10,122,328			10,122,328
Capital Expenditure FY2016-17(Enterprise)	(694,576)	(7,530,177)			(8,224,754)
<b>Projected Fund Balance June 30, 2017</b>	<b>8,323,145</b>	<b>19,777,961</b>	<b>51,282</b>	<b>532,944</b>	<b>28,685,332</b>
Budgeted Excess (Deficit) FY2017-18	1,216,054	617,411	174	(35,483)	1,798,156
Anticipated Borrowing FY2017-18(Enterprise)	-	14,601,682			14,601,682
Capital Project grant funding (contingent)	-	-			-
Debt Principal FY2017-18 (Enterprise only)	(155,434)	(124,238)			(279,671)
Capital Expenditure FY2017-18(Enterprise)	(1,552,000)	(17,306,682)			(18,858,682)
<b>Projected Fund Balance June 30, 2018</b>	<b>7,831,765</b>	<b>17,566,135</b>	<b>51,456</b>	<b>497,461</b>	<b>25,946,816</b>

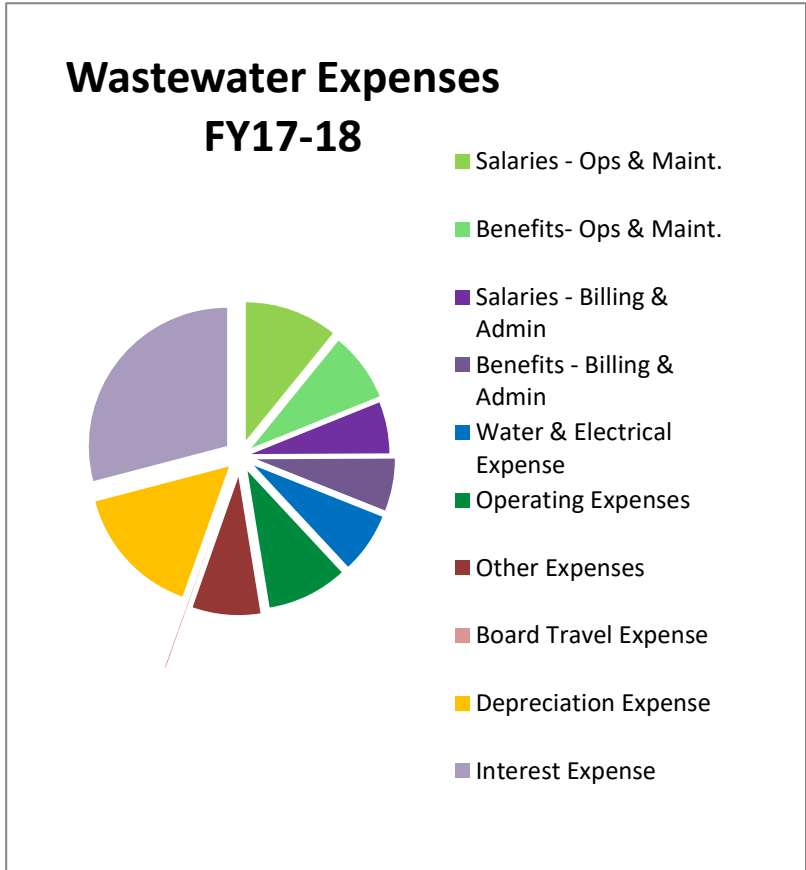
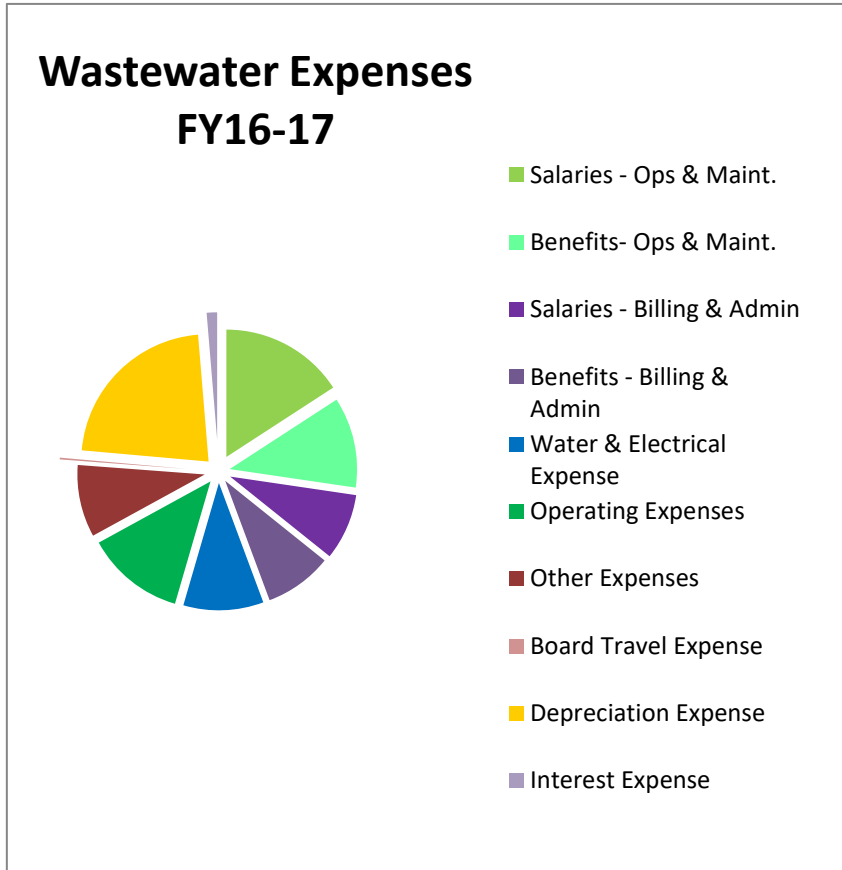
**McKinleyville Community Services District**  
**Enterprise Funds: Water Summary Budget**  
**FY 2017-18**

Description	Water Fund Approved Budget FY16-17		Water Fund Proposed Budget FY17-18		Difference (Memorandum Only)	
<b>Water Revenues</b>						
Water Sales	3,442,130	91%	3,633,137	90%	191,007	-1%
Capacity Fees	100,000	3%	100,000	2%	-	0%
Other Revenue	128,539	3%	136,356	3%	7,817	0%
Contributed Construction	100,000	3%	150,000	4%	50,000	1%
Interest Revenue	13,500	0.4%	25,000	1%	11,500	0%
<b>Total Revenues</b>	<b>3,784,169</b>	<b>100%</b>	<b>4,044,493</b>	<b>100%</b>	<b>260,324</b>	<b>6%</b>
<b>Water Expenses</b>						
Salaries - Ops & Maint.	306,519	11%	312,616	11%	6,097	-0.3%
Benefits- Ops & Maint.	221,754	8%	230,068	8%	8,314	-0.1%
Salaries - Billing & Admin	179,096	7%	190,227	7%	11,132	0.1%
Benefits - Billing & Admin	183,236	7%	194,491	7%	11,254	0.1%
Water Purchased (COGS)	967,236	36%	1,005,260	36%	38,024	-0.3%
Operating Expenses	216,400	8%	227,300	8%	10,900	0.0%
Other Expenses	202,690	8%	238,277	8%	35,587	1%
Board Travel Expenses	4,800	0.2%	13,200	0%	8,400	0.3%
Depreciation Expense	350,000	13%	350,000	12%	-	-1%
Interest Expense	70,106	3%	67,000	2%	(3,106)	-0.2%
<b>Total Expenses</b>	<b>2,701,836</b>	<b>100%</b>	<b>2,828,438</b>	<b>100%</b>	<b>126,602</b>	<b>4%</b>
<b>Excess (Deficit)</b>	<b>1,082,333</b>		<b>1,216,055</b>			



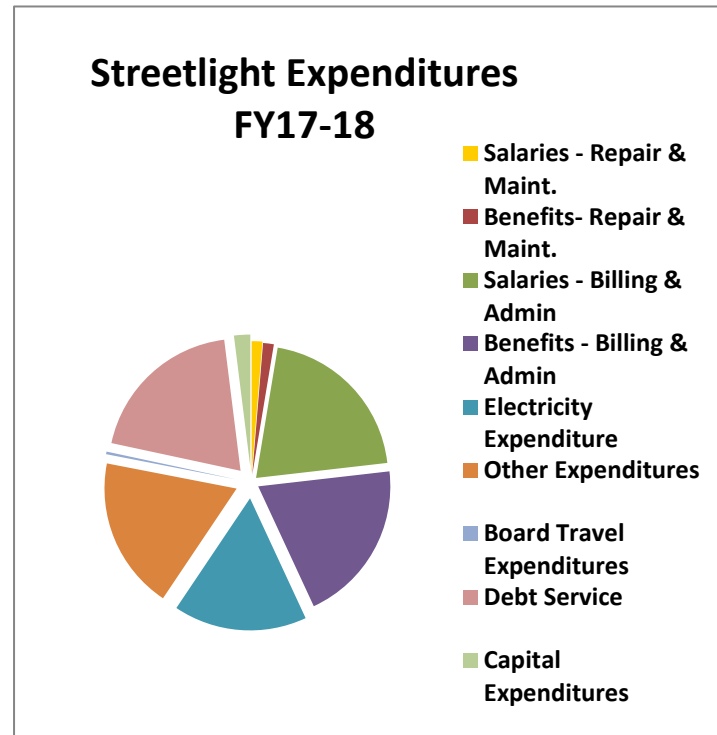
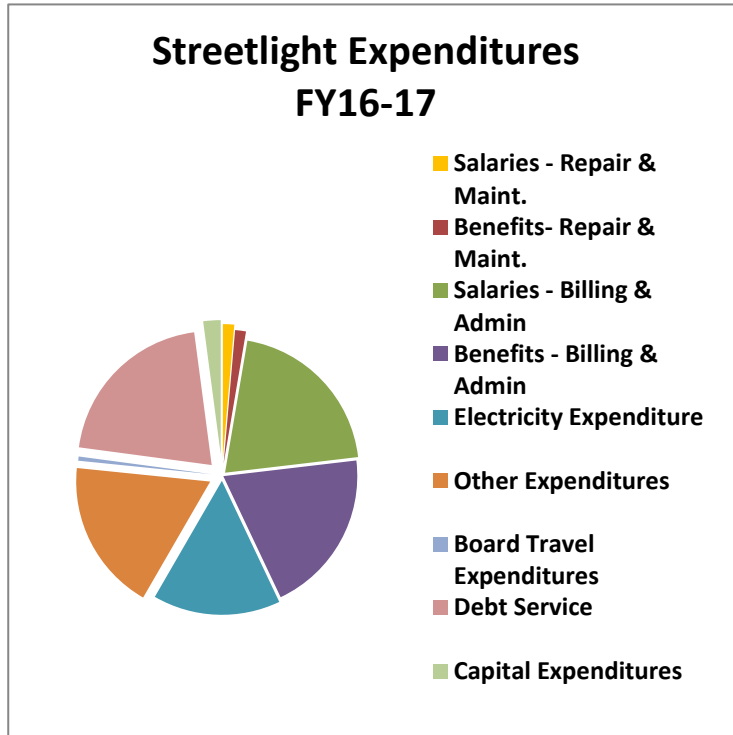
**McKinleyville Community Services District**  
**Enterprise Funds: Wastewater Summary Budget**  
**FY 2017-18**

Description	Wastewater Fund Approved Budget FY16-17		Wastewater Fund Proposed Budget FY17-18		Difference (Memorandum Only)	
<b>Wastewater Revenues</b>						
Sewer Service Charges	3,053,247	87%	3,392,157	89%	338,910	2%
Capacity Fees	120,000	3%	175,000	5%	55,000	1%
Other Revenue	78,868.96	2%	83,300	2%	4,431	-0.1%
Contributed Construction	250,000	7%	150,000	4%	(100,000)	-3%
Interest Revenue	20,000	1%	22,000	1%	2,000	0.01%
<b>Total Revenues</b>	<b>3,522,116</b>	<b>100%</b>	<b>3,822,457</b>	<b>100%</b>	<b>300,341</b>	<b>7.9%</b>
<b>Wastewater Expenses</b>						
Salaries - Ops & Maint.	341,257	16%	347,803	11%	6,546	-5%
Benefits- Ops & Maint.	247,828	11%	258,066	8%	10,238	-3%
Salaries - Billing & Admin	181,587	8%	192,870	6%	11,283	-2%
Benefits - Billing & Admin	184,972	9%	196,019	6%	11,047	-2%
Water & Electrical Expense	219,200	10%	225,600	7%	6,400	-3%
Operating Expenses	269,950	13%	300,250	9%	30,300	-3%
Other Expenses	197,539.67	9%	254,169	8%	56,629	-1%
Board Travel Expense	4,800	0%	3,200	0%	(1,600)	-0.1%
Depreciation Expense	480,000	22%	495,000	15%	15,000	-7%
Interest Expense	28,469	1%	932,069	29%	903,600	28%
<b>Total Expenditures</b>	<b>2,155,603</b>	<b>100%</b>	<b>3,205,046</b>	<b>100%</b>	<b>1,049,443</b>	<b>32.7%</b>
<b>Excess (Deficit)</b>	<b>1,366,513</b>		<b>617,411</b>			



**McKinleyville Community Services District**  
**Streetlights Fund Operating Budget**  
**FY 2017-18**

Description	Streetlights Fund Approved Budget FY16-17		Streetlights Fund Proposed Budget FY17-18		Difference (Memorandum Only)	
<b>Streetlight Revenues</b>						
Streetlight Charges	79,084.00	83%	83,800	83%	4,716	0.2%
Other Charges	16,750.00	17%	17,450	17%	700	-0.2%
Proceeds from Debt	-	0%	-	-	-	0.0%
Interest Revenue	-	0%	-	0.0%	-	0.0%
<b>Total Revenues</b>	<b>95,834</b>	<b>100%</b>	<b>101,250</b>	<b>100%</b>	<b>5,416</b>	<b>5%</b>
<b>Streetlight Expenditures</b>						
Salaries - Repair & Maint.	1,302	1%	1,319	1%	17	-0.1%
Benefits- Repair & Maint.	1,252	1%	1,330	1%	78	0.01%
Salaries - Billing & Admin	19,549	20%	20,784	21%	1,234	0.10%
Benefits - Billing & Admin	18,943	20%	20,117	20%	1,175	0.1%
Electricity Expenditure	14,700	15%	16,500	16%	1,800	0.9%
Other Expenditures	17,458	18%	18,841	19%	1,382	0.4%
Board Travel Expenditures	480	1%	320	0%	(160)	-0.2%
Debt Service	19,865	21%	19,865	20%	-	-1.1%
Capital Expenditures	2,000	2%	2,000	2%	-	-0.1%
<b>Total Expenditures</b>	<b>95,549</b>	<b>100%</b>	<b>101,075</b>	<b>100%</b>	<b>5,526</b>	<b>5%</b>
<b>Excess (Deficit)</b>	<b>285</b>		<b>175</b>			



**McKinleyville Community Services District  
Parks/General Fund Operating Budget  
Comparison FY2016-17 to FY 2017-18**

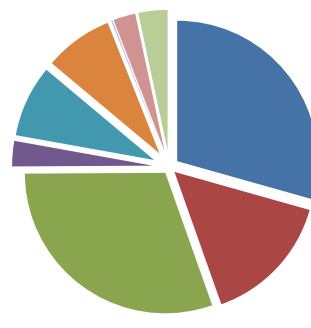
Description	Parks/General Fund Approved Budget FY2016-17		Parks/General Fund Proposed Budget FY2017- 18		Difference (Memorandum Only)	
<b>Revenues</b>						
Program Fees	377,889	31%	418,939	34%	41,050	3.5%
Facility Fees	109,300	9%	118,000	10%	8,700	0.7%
Property Taxes	525,000	43%	525,000	43%	-	0.1%
Open Space Fees	103,500	8%	104,077	9%	577	0.1%
Contributions & Other Program	1,500	0%	2,000	0.2%	500	0.0%
Other Revenue	15,432	1%	16,232	1%	800	0.1%
Quimby Fees/ Grants/Loans	80,000	7%	25,000	2%	(55,000)	-4.5%
Interest Revenue	10,000	0.8%	10,000	0.8%	-	0.0%
<b>Total Revenues</b>	<b>1,222,621</b>	<b>100%</b>	<b>1,219,248</b>	<b>100%</b>	<b>(3,373)</b>	<b>-0.3%</b>
<b>Expenditures</b>						
Salaries & Benefits - Programs	340,727	28%	368,610	29%	27,883	1.4%
Salaries & Benefits- Maintenance	218,865	18%	190,921	15%	(27,944)	-2.8%
Salaries & Benefits- Admin	352,537	29%	380,662	30%	28,125	1.4%
Other Expenditures - Programs	42,449	3%	36,585	3%	(5,864)	-0.6%
Other Expenditures - Maint.	109,066	9%	103,820	8.3%	(5,246)	-0.7%
Other Expenditures - Admin	105,870	9%	99,095	7.9%	(6,775)	-0.8%
Board Travel Expenditures	2,912	0.2%	1,280	0.1%	(1,632)	-0.1%
CalPERS UAL	-	0%	32,106	2.6%	32,106	2.6%
Capital Expenditures & Interest	44,320	4%	42,000	3%	(2,320)	-0.3%
<b>Total Expenditures</b>	<b>1,216,746</b>	<b>100%</b>	<b>1,255,079</b>	<b>100%</b>	<b>38,333</b>	<b>3.1%</b>
<b>Excess (Deficit)</b>	<b>5,875</b>		<b>(35,831)</b>			

**Expenditures  
FY16-17**



- Salaries & Benefits - Programs
- Salaries & Benefits- Maintenance
- Salaries & Benefits- Admin
- Other Expenditures - Programs
- Other Expenditures - Maint.
- Other Expenditures - Admin
- Board Travel Expenditures
- CalPERS UAL
- Capital Expenditures & Interest

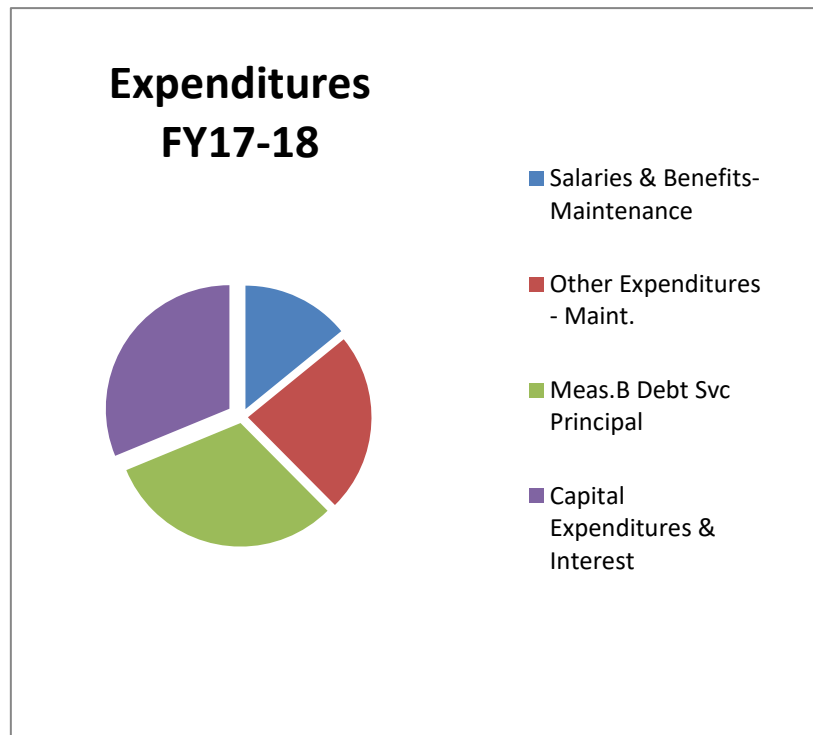
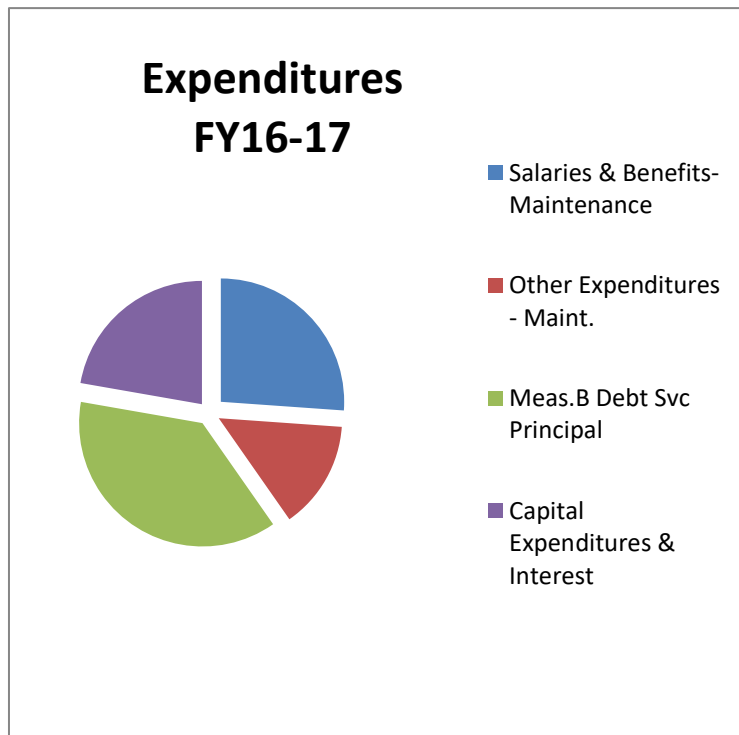
**Expenditures  
FY17-18**



- Salaries & Benefits - Programs
- Salaries & Benefits- Maintenance
- Salaries & Benefits- Admin
- Other Expenditures - Programs
- Other Expenditures - Maint.
- Other Expenditures - Admin
- Board Travel Expenditures
- CalPERS UAL
- Capital Expenditures & Interest

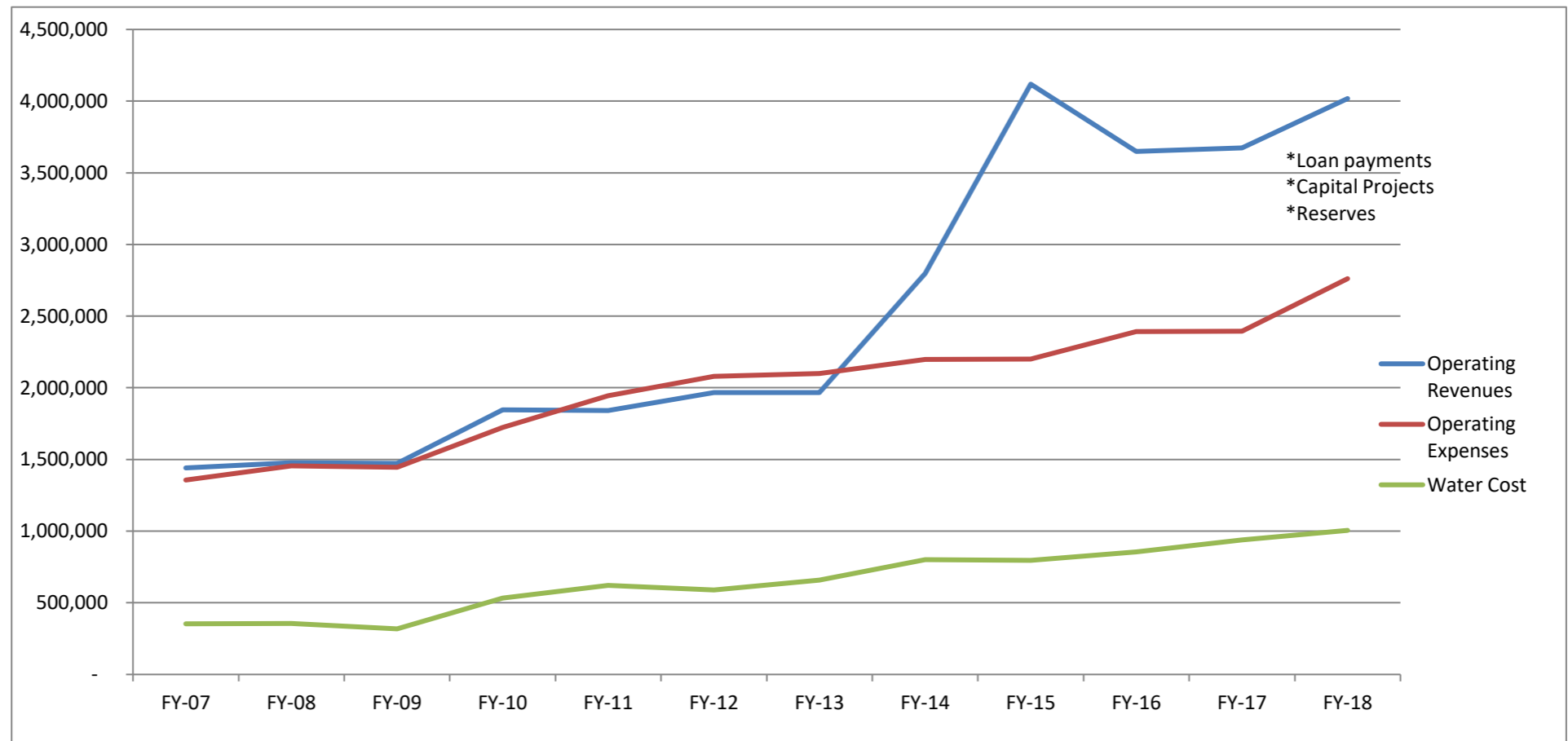
**McKinleyville Community Services District  
Measure B Fund Operating Budget  
FY 2017-18**

Description	Measure B Fund Approved Budget FY16-17		Measure B Fund Proposed Budget FY17-18		Difference (Memorandum Only)	
<b>Revenues</b>						
Measure B Assessment	210,000	98%	214,662	100%	4,662	2%
Grants/Contributions	-	0%	-	-	-	0%
Other Revenue	3,500	2%	-	0%	(3,500)	-2%
Proceeds from Debt	-	-	-	0%	-	0%
Quimby Fees/ ReservesDraw	-	0%	-	0%	-	0%
Interest Revenue	-	0.0%	-	-	-	0%
<b>Total Revenues</b>	<b>213,500</b>	<b>100%</b>	<b>214,662</b>	<b>100%</b>	<b>1,162</b>	<b>1%</b>
<b>Expenditures</b>						
Salaries & Benefits- Maintenance	55,759	26%	54,464	25%	(1,295)	-1%
Other Expenditures - Maint.	30,250	14%	32,400	15.1%	2,150	1%
Meas.B Debt Svc Principal	79,968	37%	82,831	38.6%	2,863	1%
Capital Expenditures & Interest	47,483	22%	44,619	21%	(2,864)	-1%
<b>Total Expenditures</b>	<b>213,461</b>	<b>100%</b>	<b>214,314</b>	<b>100%</b>	<b>854</b>	<b>0%</b>
<b>Excess (Deficit)</b>	<b>39</b>		<b>348</b>		<b>308</b>	



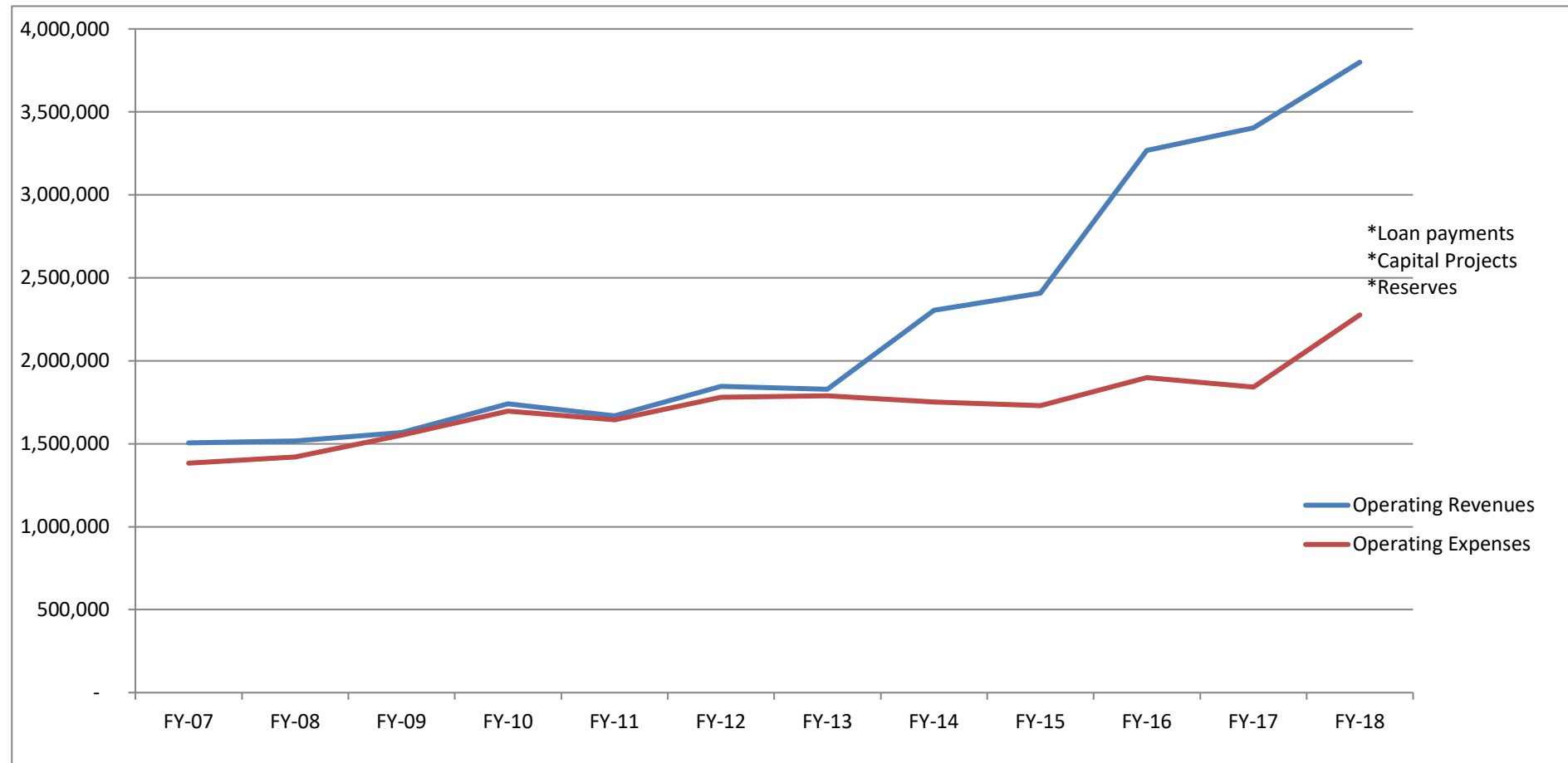
**McKinleyville Community Services District**  
**Water Enterprise Fund**  
**Historical Analysis**  
**Fiscal Years Ended (Ending) June 30, 2007-2018**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual Est.
<b>Operating Revenues</b>											
Water Sales	1,305,455	1,337,042	1,360,169	1,566,024	1,559,779	1,545,469	1,665,273	2,237,058	2,855,251	2,971,172	3,336,647
Other Water Revenues	135,596	139,331	111,300	280,648	281,235	422,166	302,600	561,962	1,263,244	677,733	336,522
<b>Total Operating Revenues</b>	<b>1,441,051</b>	<b>1,476,373</b>	<b>1,471,469</b>	<b>1,846,672</b>	<b>1,841,014</b>	<b>1,967,635</b>	<b>1,967,873</b>	<b>2,799,019</b>	<b>4,118,496</b>	<b>3,648,905</b>	<b>3,673,170</b>
<b>Operating Expenses</b>											
Salaries & Benefits	560,844	594,924	661,031	729,285	737,395	724,139	776,264	766,832	820,713	901,568	787,531
Water Cost	352,935	356,842	318,159	533,961	620,952	589,650	657,440	801,270	795,098	855,642	939,495
Other Expenses	222,740	282,010	243,853	235,842	322,277	477,803	363,133	325,537	258,732	290,102	322,795
Depreciation	219,925	220,727	221,484	224,099	264,365	288,634	302,545	303,585	325,895	344,400	345,300
<b>Total Operating Expenses</b>	<b>1,356,444</b>	<b>1,454,502</b>	<b>1,444,527</b>	<b>1,723,187</b>	<b>1,944,989</b>	<b>2,080,227</b>	<b>2,099,382</b>	<b>2,197,224</b>	<b>2,200,438</b>	<b>2,391,712</b>	<b>2,395,121</b>
<b>Net Operating Income (Loss)</b>	<b>84,607</b>	<b>21,870</b>	<b>26,942</b>	<b>123,485</b>	<b>(103,975)</b>	<b>(112,592)</b>	<b>(131,509)</b>	<b>601,796</b>	<b>1,918,057</b>	<b>1,257,193</b>	<b>1,278,049</b>
Interest Income	97,279	114,973	76,662	39,897	19,437	17,492	10,565	11,079	15,510	19,797	27,267
Interest Expense	(59,666)	(58,130)	(56,318)	(54,701)	(53,948)	(82,524)	(86,060)	(81,588)	(75,483)	(72,104)	(70,106)
<b>Net Income (Loss)</b>	<b>122,220</b>	<b>78,713</b>	<b>47,286</b>	<b>108,681</b>	<b>(138,487)</b>	<b>(177,624)</b>	<b>(207,005)</b>	<b>531,286</b>	<b>1,858,084</b>	<b>1,204,887</b>	<b>1,235,210</b>



**McKinleyville Community Services District**  
**Wastewater Enterprise Fund**  
**Historical Analysis**  
**Fiscal Years Ended (Ending) June 30, 2007-2018**

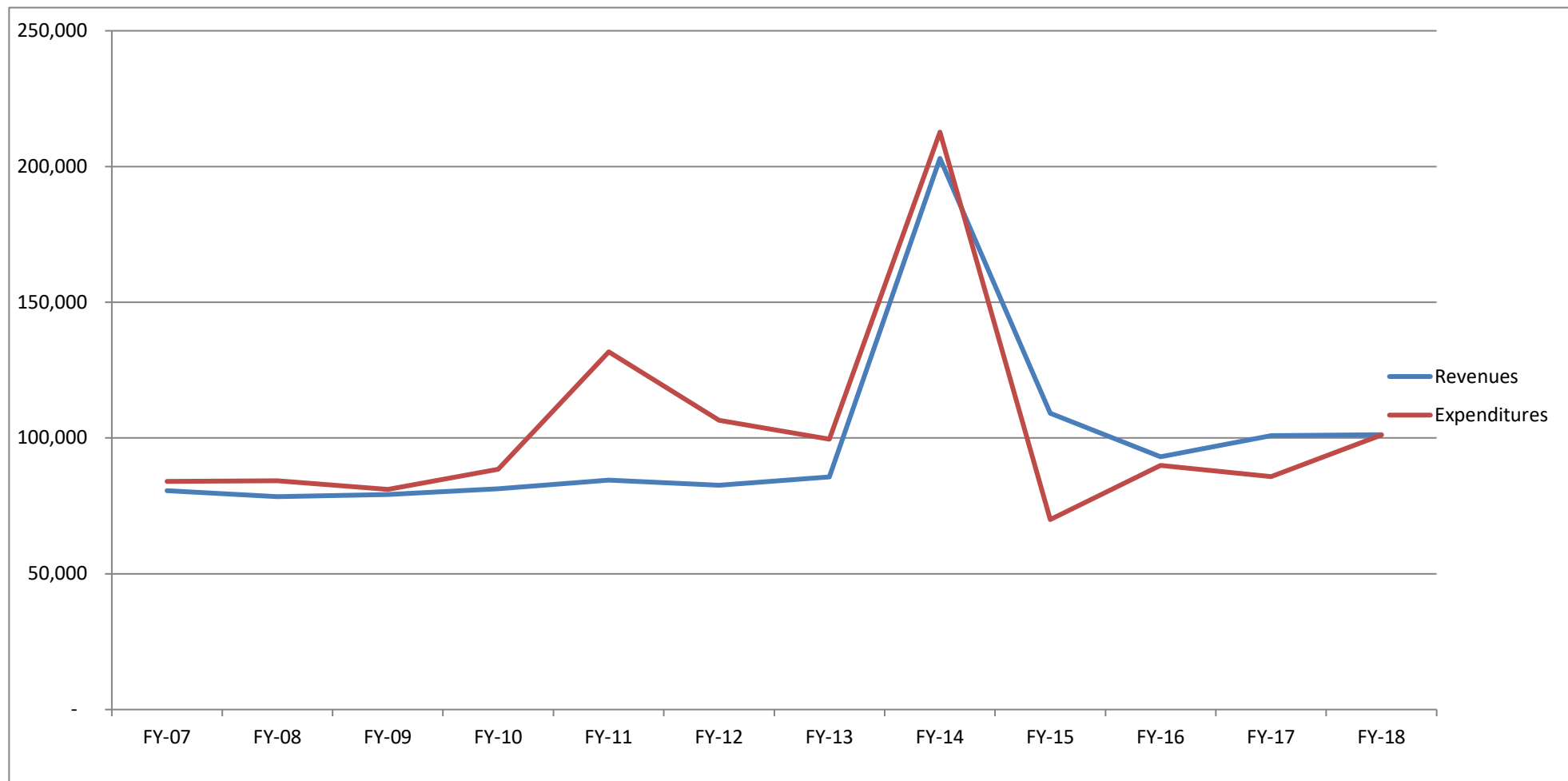
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual Est.
<b>Operating Revenues</b>											
Wastewater Service Charges	1,161,794	1,216,130	1,298,515	1,404,897	1,424,263	1,401,100	1,502,097	1,768,170	2,062,271	2,519,832	3,034,886
Other Wastewater Revenues	343,314	301,106	267,940	336,252	243,841	445,849	326,569	536,218	345,588	748,865	368,832
<b>Total Operating Revenues</b>	<b>1,505,108</b>	<b>1,517,235</b>	<b>1,566,455</b>	<b>1,741,149</b>	<b>1,668,104</b>	<b>1,846,949</b>	<b>1,828,665</b>	<b>2,304,387</b>	<b>2,407,859</b>	<b>3,268,698</b>	<b>3,403,718</b>
<b>Operating Expenses</b>											
Salaries & Benefits	605,798	628,773	702,632	755,611	748,348	764,920	798,884	843,382	865,751	966,967	858,772
Other Expenses	376,114	390,676	441,707	529,281	447,098	555,245	527,474	446,363	394,667	467,984	501,646
Depreciation	401,102	400,055	407,597	412,230	448,174	460,549	462,065	462,621	469,397	464,200	480,725
<b>Total Operating Expenses</b>	<b>1,383,014</b>	<b>1,419,504</b>	<b>1,551,936</b>	<b>1,697,122</b>	<b>1,643,620</b>	<b>1,780,714</b>	<b>1,788,423</b>	<b>1,752,365</b>	<b>1,729,815</b>	<b>1,899,151</b>	<b>1,841,144</b>
<b>Net Operating Income (Loss)</b>	<b>122,093</b>	<b>97,732</b>	<b>14,519</b>	<b>44,027</b>	<b>24,484</b>	<b>66,235</b>	<b>40,243</b>	<b>552,022</b>	<b>678,044</b>	<b>1,369,546</b>	<b>1,562,574</b>
Interest Income	112,998	138,349	89,781	46,165	27,485	28,519	20,701	18,989	20,496	21,382	26,644
Interest Expense	(46,855)	(56,232)	(49,915)	-	(64,670)	(50,190)	(37,857)	(37,521)	(31,558)	(27,900)	(133,469)
<b>Net Income (Loss)</b>	<b>188,236</b>	<b>179,848</b>	<b>54,386</b>	<b>90,192</b>	<b>(12,701)</b>	<b>44,564</b>	<b>23,087</b>	<b>533,489</b>	<b>666,982</b>	<b>1,363,028</b>	<b>1,455,749</b>





**McKinleyville Community Services District**  
**Streetlight Fund**  
**Historical Analysis**  
**Fiscal Years Ended (Ending) June 30, 2007-2018**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual Est
<b>Revenues</b>	<b>80,560</b>	<b>78,413</b>	<b>79,207</b>	<b>81,317</b>	<b>84,510</b>	<b>82,665</b>	<b>85,658</b>	<b>203,009</b>	<b>109,123</b>	<b>93,109</b>	<b>100,859</b>
<b>Expenditures</b>											
Salaries & Benefits	26,088	29,860	28,060	29,290	39,195	32,501	35,260	45,591	35,942	40,767	34,457
Other Expenditures	34,937	37,101	36,219	38,663	67,679	53,501	47,119	43,141	31,804	29,261	31,471
Debt Service	19,055	17,305	16,746	17,305	23,056	-	-	-	-	19,865	19,865
Capital Expenditures	4,000	-	-	3,271	1,857	20,520	17,250	123,950	2,229	-	-
<b>Total Expenditures</b>	<b>84,080</b>	<b>84,266</b>	<b>81,025</b>	<b>88,529</b>	<b>131,786</b>	<b>106,523</b>	<b>99,629</b>	<b>212,681</b>	<b>69,975</b>	<b>89,893</b>	<b>85,793</b>
<b>Excess (Deficit)</b>	<b>(3,520)</b>	<b>(5,853)</b>	<b>(1,818)</b>	<b>(7,212)</b>	<b>(47,276)</b>	<b>(23,858)</b>	<b>(13,971)</b>	<b>(9,672)</b>	<b>39,148</b>	<b>3,216</b>	<b>15,066</b>



**McKinleyville Community Services District**  
**Parks & Recreation, Measure B Assessment, & General Fund**  
**Historical Analysis**  
**Fiscal Years Ended (Ending) June 30, 2007-2018**

	Fiscal Year Ended (Ending) June 30,										
	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual Est.
<b>Combined Revenues</b>											
Programs	266,947	301,191	283,861	265,596	263,409	262,680	309,625	324,140	320,470	360,399	361,153
Rentals	76,128	68,175	57,921	56,953	60,974	57,321	58,779	66,980	67,407	85,536	90,337
Property Taxes	403,353	508,445	486,297	460,625	489,313	506,315	560,445	516,221	523,970	547,214	524,115
Measure B Assessment	190,263	194,044	193,724	201,114	209,068	203,432	205,420	206,270	202,749	204,177	203,739
State Bonds & Grants	126,913	67,983	47,097	-	12,000	-	-	10,000	25,000	48,876	-
Other Revenue	97,129	103,849	87,824	98,611	189,883	120,948	134,120	120,119	1,612,221	296,868	148,298
Interest Revenue	21,698	34,943	30,308	18,992	5,889	3,047	3,216	6,755	12,773	19,661	16,058
<b>Total Revenues</b>	<b>1,182,430</b>	<b>1,278,630</b>	<b>1,187,032</b>	<b>1,101,891</b>	<b>1,230,536</b>	<b>1,153,743</b>	<b>1,271,604</b>	<b>1,250,484</b>	<b>2,764,590</b>	<b>1,562,731</b>	<b>1,343,699</b>
<b>Combined Expenditures</b>											
Salaries & Benefits	510,737	554,654	624,909	612,125	738,710	764,022	786,004	846,593	909,802	859,611	938,906
Other Expenditures	148,624	187,830	165,891	180,202	311,230	273,307	309,326	386,777	348,872	2,394,254	421,430
Debt Service	210,992	210,992	191,609	191,609	255,320	-	-	-	36,228	79,968	79,968
Capital Expenditures	62,614	79,115	19,138	186,355	27,559	21,902	73,024	177,463	132,323	158,519	-
<b>Total Expenditures</b>	<b>932,968</b>	<b>1,032,591</b>	<b>1,001,547</b>	<b>1,170,291</b>	<b>1,332,819</b>	<b>1,059,231</b>	<b>1,168,355</b>	<b>1,410,834</b>	<b>1,427,225</b>	<b>3,492,352</b>	<b>1,440,304</b>
<b>Combined Excess (Deficit)</b>	<b>249,462</b>	<b>246,039</b>	<b>185,485</b>	<b>(68,400)</b>	<b>(102,283)</b>	<b>94,513</b>	<b>103,249</b>	<b>(160,349)</b>	<b>1,337,365</b>	<b>(1,929,621)</b>	<b>(96,605)</b>

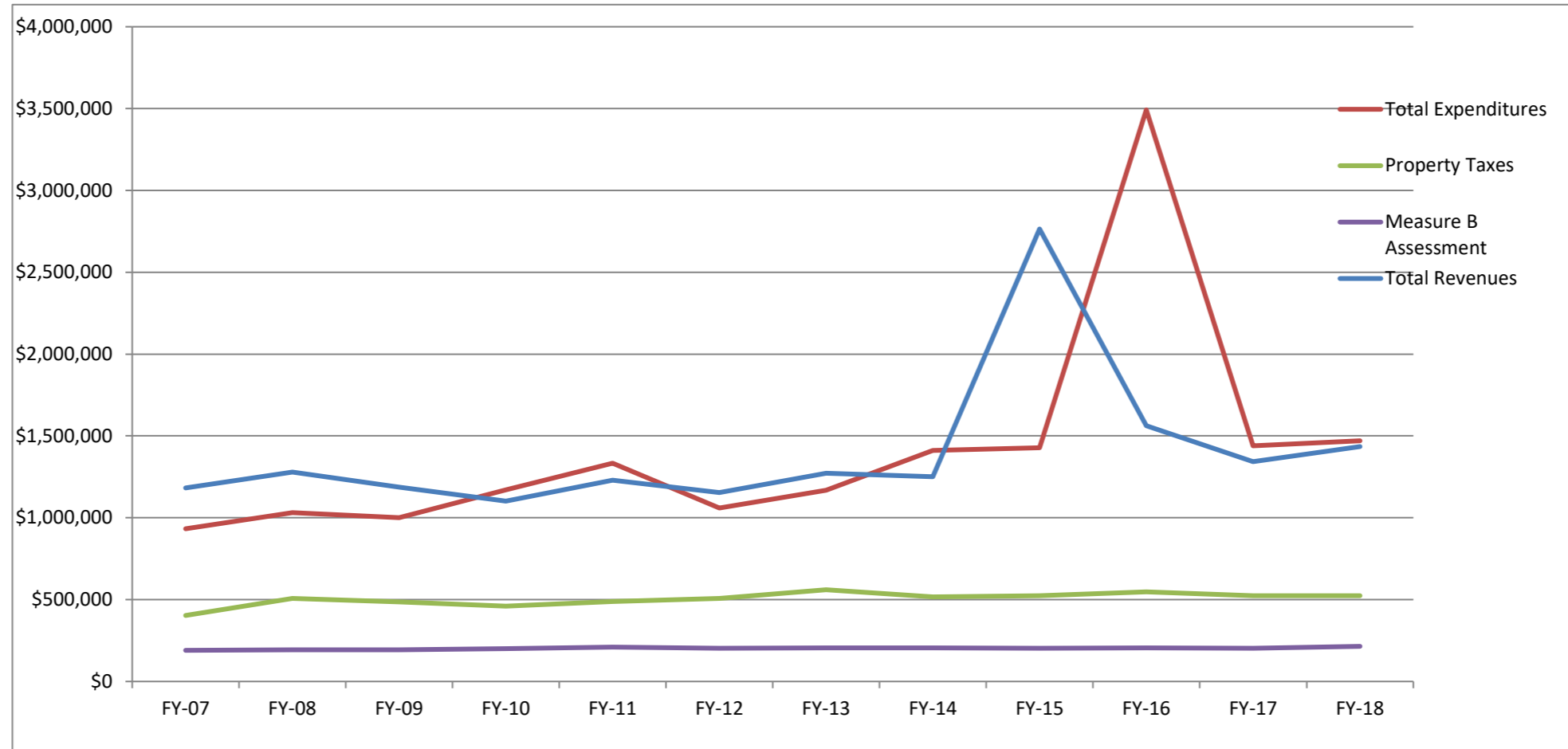


Exhibit 11-1

**McKinleyville Community Services District  
Enterprise Funds Capital Improvement Project Budget  
For the Fiscal Years Ending June 30, 2018 - 2027**

		1	2	3	4	5	6	7	8	9	10
		June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027
(All numbers in \$000s)											
<b>1. Heavy Equipment</b>											
<b>Totals:</b>		10	10	20	50	0	0	10	0	107	0
<b>2. Utility Vehicles</b>											
<b>Totals:</b>		48	55	22	34	34	34	63	34	60	34
<b>3. Water System</b>											
<b>Totals:</b>		1,465	4,757	1,017	1,267	1,021	1,007	1,007	14	7	7
<b>4. Sewer System</b>											
<b>Totals:</b>		1,073	396	1,315	260	1,483	355	1,767	240	262	1,346
<b>5. Office, Corporation Yard &amp; Shops</b>											
<b>Totals:</b>		69	310	0	0	400	0	10	0	10	0
<b>6. Computers, Software &amp; Equipment</b>											
<b>Totals:</b>		11	5	150	5	6	25	6	5	29	5
<b>7. Fischer Ranch</b>											
<b>Totals:</b>		1,545	205	135	105	105	127	5	5	5	5
<b>8. Small Equipment &amp; Other</b>											
<b>Totals:</b>		35	20	15	20	15	15	15	20	35	42
<b>Total Planned Expenditures</b>		<b>4,256</b>	<b>5,758</b>	<b>2,674</b>	<b>1,741</b>	<b>3,064</b>	<b>1,563</b>	<b>2,883</b>	<b>318</b>	<b>515</b>	<b>1,439</b>
<b>Departmental Allocations:</b>											
Water Fund		1,552	4,957	1,121	1,322	1,249	1,044	1,059	44	128	48
Wastewater Fund		2,705	801	1,554	420	1,816	519	1,824	275	388	1,392
<b>Total</b>		<b>4,256</b>	<b>5,758</b>	<b>2,674</b>	<b>1,741</b>	<b>3,064</b>	<b>1,563</b>	<b>2,883</b>	<b>318</b>	<b>515</b>	<b>1,439</b>

Exhibit 11-2

McKinleyville Community Services District  
 Streetlights Fund Capital Improvement Project Budget  
 For the Fiscal Years Ending June 30, 2018 - 2027

	1	2	3	4	5	6	7	8	9	10
	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027
1. Heavy Equipment										
<b>Totals:</b>	0	0	83	0	0	0	0	0	0	0
2. Poles and Lights										
<b>Totals:</b>	2	2	2	2	40	2	0	0	0	0
<b>Total Planned Expenditures</b>	<b>2</b>	<b>2</b>	<b>85</b>	<b>2</b>	<b>40</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**McKinleyville Community Services District  
General Fund (Parks & Recreation) Capital Improvement Project Budget  
For the Fiscal Years Ending June 30, 2018 - 2027**

(All numbers in \$000s)

	1	2	3	4	5	6	7	8	9
	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026
<b>1. Hiller Park &amp; Sports Complex Projects</b>									
<b>Totals:</b>	5	5	6	6	6	6	6	7	7
<b>2. Pierson Park Projects</b>									
<b>Totals:</b>	0	0	0	0	0	0	0	0	0
<b>3. Azalea Hall Projects</b>									
<b>Totals:</b>	11	6	5	0	11	0	0	0	0
<b>4. McKinleyville Activity Center Projects</b>									
<b>Totals:</b>	18	5	11	17	6	12	6	6	6
<b>5. Other Park Projects &amp; Equipment</b>									
<b>Totals:</b>	5	138	28	8	18	30	25	14	25
<b>6. Law Enforcement Facility Projects</b>									
<b>Totals:</b>	0	0	0	6	0	5	0	6	0
<b>7. McKinleyville Library Projects</b>									
<b>Totals:</b>	0	0	8	0	0	0	6	0	0
<b>8. Teen &amp; Community Center - Measure B</b>									
<b>Totals:</b>	0	0	0	0	0	0	0	0	0

Exhibit 11-3

**McKinleyville Community Services District  
General Fund (Parks & Recreation) Capital Improvement Project Budget  
For the Fiscal Years Ending June 30, 2018 - 2027**

(All numbers in \$000s)

1            2            3            4            5            6            7            8            9

	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026
<b>9. Projects Contingent Upon Grant Funding</b>									
<b>Totals:</b>	15	0	0	0	0	0	0	0	0
<b>10. Projects Funded by Quimby &amp; Other Funds</b>									
<b>Totals:</b>	0	0	0	0	0	0	0	0	0
<b>Total Planned Capital Expenditures</b>	54	154	58	37	41	53	43	33	38

**Capital Improvement Plan  
Water, Sewer and Streetlights Funds  
Fiscal Year 2017-18**

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, and 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 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 insure 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 two light utility trucks. Funds have also been set aside for replacement tractor parts and attachments, as they are needed.

**Water System**

The largest Water project for FY2017-18 is the design phase of the proposed 4.5 million gallon new storage tank. \$700,000 is budgeted in FY2017-18 for design and \$200,000 for property purchase. There are no recoating projects scheduled for the other tanks this year or next. Each tank recoating cycle is approximately every 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 meter-reading software and hardware (\$8,000), and a major upgrade of the digital control system (\$150,000). The Cochran generator is scheduled for replacement as well (\$50,000). The changeover to radio-read meters for our customers should be finished in FY2017-18, with a budget of \$200,000 from the Water Fund and \$200,000 from the Wastewater Fund. \$50,000 from the Water Fund and \$50,000 from the Wastewater Fund has been budgeted to create an Alternative Energy Master Plan.

The fire hydrant system is still scheduled to be upgraded; however, the Arcata Fire Protection District is covering a portion of this cost, so the cost to the District will total

only \$7,000. If the Arcata Fire Protection District does not have sufficient budget for this project, it will be delayed until they do.

\$100,000 is budgeted for phases two and three of the Water Main Rehabilitation/Replacement Plan. The District is pursuing groundwater exploration (\$50,000) as part of the District's commitment to developing emergency water supplies. Funding for these projects will come from the Reserves created by the Board for maintenance and replacement of capital infrastructure.

## **Sewer System**

The new Waste Water Management Facility (WWMF) Improvement Project construction is expected to be completed and on-line in 2017, with \$200,000 budgeted in fiscal year 2017-18 for the biosolids removal in the remaining ponds. Project financing has been secured through a loan from the State Water Resources Control Board to pay for the Improvement Project. \$240,000 is now being set aside annually to pay for the next biosolids project, which should occur on a five-to-seven year cycle once the new WWMF is completed. \$50,000 has been set aside to fund engineering studies for the District's next NPDES permit.

Lining of sewer pipes on Central Avenue will continue in FY2017-18 for the Sewer Main Rehabilitation/Replacement Project and \$90,000 is budgeted for the Sewer Mainline Replacement Plan. \$20,000 has been earmarked for the design of the Hiller lift station pump upgrade. There is a potential for grant-funding of this project. An additional \$30,000 has been set aside for replacement of the Kelly sewer lift station generator. A major upgrade of the digital control systems at the sewer lift stations is scheduled for FY2017-18 with \$150,000 budgeted. Other projects include replacements and repairs at Fischer Lift Station, an upgrade to a six-inch pump at Letz, and the District's "Basis for Design" report for the Thiel Avenue undercrossing. Funding for these projects will come from the Reserves created by the Board for maintenance and replacement of capital infrastructure.

## **Office, Corporation Yard, Computers and Software**

\$50,000 has been budgeted for architectural design of the District's operations office, which is scheduled, along with the main office, to be renovated next year. \$10,000 has been set aside to sealcoat the blacktop at the main office. There are also funds budgeted for regularly scheduled upgrades of various operational and administrative computers and printers.

## **Fischer Ranch**

As regulations change, methods for land application will undoubtedly become more stringent. \$30,000 has therefore been budgeted for a technical memorandum for the Biofiltration (Tree Farm) project. \$1.5 million will be earmarked and moved year to year for land procurement as sites become available. Replacement and maintenance of



underground valves and piping is scheduled, along with building and fencing improvements.

### **Small Equipment and Other**

Evaluation and possible replacement of the GPS surveying equipment is scheduled in 2017- 18 for \$20,000. Various types of emergency equipment comprise the rest of this line item.

### **Streetlights**

Regular pole replacement is scheduled for fiscal year 2017-18. No further Capital Improvement Projects are planned for this fiscal year in the Streetlights Fund.

### **Note on Attachment 1 – Water & Sewer Funds Capital Improvement Program**

Exhibit 11 contains the summaries of the Water and Sewer Funds Capital Improvement Program's planned capital expenditures (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.

**Capital Improvement Plan  
Parks and General Fund  
Fiscal Year 2017-18**

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 insure 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. There is no plan for purchase or replacement of any parks utility vehicles or equipment in fiscal year 2017-2018.

**Facility Projects**

\$11,000 has been allotted to Azalea Hall. Planned projects include replacing carpet in the rooms used by the Senior Center, replace tables, chairs and, and purchase new microphones.

\$18,000 have been designated to replace gutters and downspouts and resurface the parking lot at the McKinleyville Activity Center. \$5,000 will go toward equipping the MAC and the Teen Center with Automated External Defibrillators (AEDs).

The only capital-level budgeted expenditure for the Teen Center going forward is \$127,000 construction debt service. This will appear in the final budget as a debt-service line item, rather than a capital expenditure.

A \$15,000 grant is being sought for playground equipment replacement. This expenditure will only be made if the grant is awarded.

**Parks and Trails Projects**

Staff has committed to greater use of MCSD's Quimby Funds, which are held in trust by the County. The majority of Quimby Funds have been committed for use in the Teen Center.

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. If McKinleyville continues to grow as anticipated, other regular acquisitions of new parkland are planned throughout the 10-20 year planning horizon.

### **Small Equipment, Contingency and Other**

A total of \$5,000 has been set aside for unanticipated emergency equipment repair and replacement. 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 will be included in the repairs/maintenance/supplies line of the Parks & General Fund Operating Budget.

### **Note on Attachment 1 – Parks & General Fund Draft Capital Improvement Plan**

Exhibit 11 contains the summary lines of the Parks and General Fund Capital Improvement Program's planned capital expenditures (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 Matrix 2017-2021

STRATEGIC PLAN SECTION#	PROJECT NAME	PROJECT MANAGER	CURR. FY CIP\$	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021	EST. COMPLETION	TOTAL PROJECT % COMPLETE	STATUS/COMMENTS
<b>1.0 Water</b>											
1.1	Maintenance Programs	OD	\$ 491,600.00	Tank recoating/test SOP's	Valve exercising/fire hydrant insp. and exercise	Valve exercising/fire hydrant insp. and exercise	Valve exercising/fire hydrant insp. and exercise	Valve exercising/fire hydrant insp. and exercise			
1.2	Water Storage Tank Project	OD	\$ 200,000.00	Pursue grant funding/property purchased	Design & build	Build	Place in operation		2020	5%	Geotech complete and complete negotiations
1.3	Emergency Water Crossing	OD	n/a	Test SOP					2017	99%	
1.4	Emergency Water Supply	GM/OD	\$ 40,000.00	Pursue grant funding and water exploration on properties	Groundwater Mgmt Plan & Test Wells	Groundwater Mgmt Plan	Design	Emergency Source implementation	2020	5%	
1.5	Digital Control Upgrade	OD	\$ 150,000.00	Execute updated digital control strategy	Execute updated digital control strategy				2018	5%	
1.6	Water Main Rehab and Replacement	OD	\$ 100,000.00	Complete technical memorandum for rehab/replacement strategies	Build up reserves and determine workforce increase or contract work	Build up reserves, prioritize areas of concern	Start rehab and replacement	Start rehab and replacement		5%	Reserves will be built up to replace water mains when needed
1.7	Radio Read Meters	OD	\$ 260,000.00	Phase 3	Phase 3	Annual replacements	Annual replacements	Annual replacements	2017	50%	Success contingent upon a source of financing
1.8	F/H upgrade and installation in commercial area	OD	\$ 13,000.00	Install fire hydrants where requested by the fire department	Install fire hydrants where requested by the fire department				2018	40%	Cost share with Fire Department
1.9	Cochran Emergency Generator Replacement	OD	\$ 50,000.00	Design & implementation					2017	0%	
<b>2.0 Wastewater</b>											
2.1	20-yr Facility Plan	GM & Board	n/a	Annual review	Annual review	Annual review	Annual review	Annual review		100%	
2.2	WWMF Improvement Proj/Biosolids Maint.	GM/OD	\$ 13,000,000.00	Construction completed	Create Biosolids Mgmt Plan	Implement Biosolids Mgmt Plan	Sludge depths (Biosolids Mgmt Plan)	Sludge depths (Biosolids Mgmt Plan)	2017	60%	Funding Agreement Completed by 2015
2.3	Collection Sys Upgrades	OD	\$ 50,000.00	Sewer flow analysis memo/complete tech memo for proposed upgrades of Thiel crossing & sewer main line rehab	Implement tech memo for main line rehab & upgrade monitor capacity of all 3 basin crossings	Design for Thiel crossing	Construct of Thiel crossing	Monitor capacity of all 3 basins		5%	This will be scheduled and completed when build-out requires upgrade
2.4	Sewer Main Rehab and Replacement	OD	\$ 50,000.00	Repair I&I when found/memorandum for pipe replacement plan including pressure mains, rehab select areas	Implement tech memo for main line rehab & upgrade monitor capacity of all 3 basin crossings	Repair I&I when found, prioritize pipe replacement plan	Repair I&I when found, prioritize pipe replacement plan	Repair I&I when found, implement pipe replacement plan		5%	There is no completion date to this maintenance. I&I will be repaired when found and a plan for replacing pipe will be developed
2.5	Digital Control Upgrade	OD	\$ 150,000.00	Execute updated digital control strategy	Execute updated digital control strategy				2017		Sewer stations will be completed after the WWMF upgrade.
2.6	Sewer Lift Stn Gen. Upgrades	OD	\$ 175,000.00	Pursue grant funding to replace Letz & Fischer Gen.					2017	10%	Pursuing grant funding

## McKinleyville CSD Strategic Plan Matrix 2017-2021

STRATEGIC PLAN SECTION#	PROJECT NAME	PROJECT MANAGER	CURR. FY CIP\$	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021	EST. COMPLETION	TOTAL PROJECT % COMPLETE	STATUS/COMMENTS
2.7	Pre-Treatment Program	OD	n/a	Issue & administer grease trap permits/complete industrial discharge audit/consider local limits changes for marijuana cultivation & manufacture	Administering pre-treatment program/ annual testing	Administering pre-treatment program/ annual testing	Administering pre-treatment program/ annual testing	Administering pre-treatment program/ annual testing			
2.8	I&I Prevention	OD	n/a	Annually insp. and flow testing	Annually insp. and flow testing	Annually insp. and flow testing	Annually insp. and flow testing	Annually insp. and flow testing			Inspected and repaired annually
2.9	Reclamation Site Expansion and Upgrade	OD	\$ 5,000.00	Expand reclamation area/explore purchasing more property and implement findings of bio-filtration pilot study	Negotiate purchase of more property	Finalize procurement of reclamation site	Design irrigation system	Install/implement design	2021	10%	Coastal Conservancy grant for design of pilot project
2.10	Percolation site decommissioning	GM/OD	n/a	Decommission percolation ponds & construct Coho Rearing					2017	25%	Fish & Wildlife and Coastal Conservancy Grant
<b>3.0 Streetlights</b>											
3.1	Maintenance Programs	OD	n/a	Pole inspections on 10-year rotation, due: FY2022							Poles will be inspected for rot every 10 years. Completed 6/11
<b>4.0 Parks &amp; Recreation</b>											
4.1	Teen & Community Center	GM/RD	\$ 110,000.00	Funding and program development/fully implement kitchen					2017	99%	Kitchen funded through donations
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	Planning for programming & use			This project is dependent on access from Cochran Road and tank site development
4.3	Washington Ave. Property	GM/OD/RD	to be determined	Survey community to see if a BMX track is something worth pursuing for property development	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	Property has been identified & grant funding pursued	Continue discussions with local stakeholders and pursue grant funding	Pursue property acquisition and analyze revenue and expense	Pursue property acquisition		2020		Working with TPL for grant funding
4.5	Mad River Property	GM/OD/RD	to be determined	Finalize access, consider environmental requirements, get recommendation from RAC, seek Board approval/create access/pursue funding	Upgrade access	Develop existing trails	Develop existing trails	Open for public use	2021	5%	County property will be quit claimed to MCSD for title fees
4.6	Standards & Specs for OSMZ/Parks	GM/OD	n/a	Standards and Specifications being developed for all parks, facilities and open space maintenance zones	Policy finalized and implemented				2018	25%	Central Ave tree policy and planting list completed
4.7	Maintenance Standards	OD	n/a	Develop written SOP's	Seek Board approval, staff training	Staff training	Staff training		2020	25%	

## McKinleyville CSD Strategic Plan Matrix 2017-2021

STRATEGIC PLAN SECTION#	PROJECT NAME	PROJECT MANAGER	CURR. FY CIP\$	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021	EST. COMPLETION	TOTAL PROJECT % COMPLETE	STATUS/COMMENTS
4.8	Annual Cost Benefit Analysis OSMZ	OD	n/a	Conduct annual review	Conduct annual review	Conduct annual review	Conduct annual review	Conduct annual review		Ongoing	
4.9	Annual Cost Benefit Analysis Programs	RD	n/a	Conduct annual review	Conduct annual review	Conduct annual review	Conduct annual review	Conduct annual review		Ongoing	
4.10	Update Parks & Recreation Master Plan	RD	n/a	Complete Community Survey and complete plan	Conduct annual review	Conduct annual review	Conduct annual review	Update process	2017	5%	Update every 5 years
<b>5.0 Partnerships</b>											
5.1	Foster Regional Cooperation	GM & Board	n/a	Quarterly meetings with 5th District Supervisor	Meet with all five Humboldt County Supervisors	Quarterly meetings with 5th District Supervisor	Meet with all five Humboldt County Supervisors	Quarterly meetings with 5th District Supervisor		Ongoing	Continue efforts to gain a seat on the TAC
5.2	Improve Political Ties	GM & Board	n/a	Bi-annual meetings with State Representatives	Initiate bi-annual meetings w/new State Senator & Assembly person	Bi-annual meetings with State Representatives	Initiate bi-annual meetings w/new State Senator & Assembly person			Ongoing	Monitor the elections and make contact with newly elected representatives
5.3	Participate in Community Groups	GM /RD	n/a	Ongoing community outreach	Ongoing community outreach	Ongoing community outreach	Ongoing community outreach	Ongoing community outreach		Ongoing	Continue to participate with local groups representing various constituents
<b>6.0 Personnel/Organization</b>											
6.1	Employee Retention	GM/Dept. Heads	n/a	Initiate scheduled survey & continue to foster healthy work environment & coaching	Complete scheduled survey of salary/benefits due in FY 2017/18	Continue to foster healthy work environment & coaching	Continue to foster healthy work environment & coaching	Continue to foster healthy work environment & coaching		Ongoing	Next scheduled salary survey due in FY 2017/18
6.2	Training & Development	GM/Admin Assist.	n/a	Work on Succession Plan	Succession Plan completed & implemented/Annual Review & Revision	Annual review & revision	Annual review & revision	Annual review & revision		Ongoing	
6.3	Employee Communication	GM/Dept. Heads	n/a	Complete review of Supervisors Manual and Employee Handbook	Next scheduled review Employee Handbook	Next scheduled reviews of Supervisors Manual & Employee Handbook	Next scheduled review Employee Handbook	Next scheduled reviews of Supervisors Manual & Employee Handbook		Ongoing	
6.4	Employee Safety Program	GM/OD	n/a	Annual safety audit & training/Initiate OSHA consultation for corp yard and water system	Initiate OSHA consultation for sewer system & WWMF	Annual safety audit & training	Annual safety audit & training	Annual safety audit & training		Ongoing	
6.5	Eval & Performance Mgmt	GM/Dept. Heads	n/a	Annual evaluations scheduled per hire dates	Annual evaluations scheduled per hire dates	Annual evaluations scheduled per hire dates	Annual evaluations scheduled per hire dates	Annual evaluations scheduled per hire dates		Ongoing	
<b>7.0 Administrative Management</b>											
7.1	District Policies & Procedures	GM & Board	n/a	Annual review of District Reserves & development of Investment Policy/board committee responsibilities	Annual review Board Policy Manual/ development of Benefit Escalation Policy	Annual review	Annual review	Annual review		Ongoing	Annual reviews are done for Conflict of Interest.
7.2	Records Retention	Admin Assist	n/a	Bring updated records retention policy to Board for approval/records backlog completed	Review/update Records Retention Policy & continue management of current documents	Continue management of current documents	Continue management of current documents	Continue management of current documents	2017	80%	Ongoing
7.3	Customer Service	GM/Dept. Heads	n/a	Ongoing monitoring & training	Ongoing monitoring & training	Ongoing monitoring & training	Ongoing monitoring & training	Ongoing monitoring & training		Ongoing	
7.4	Continue to build upon Public Information Program	RD	n/a	Website, newsletter, PSA's, social networking	Website, newsletter, PSA's, social networking	Website, newsletter, PSA's, social networking	Website, newsletter, PSA's, social networking	Website, newsletter, PSA's, social networking		Ongoing	

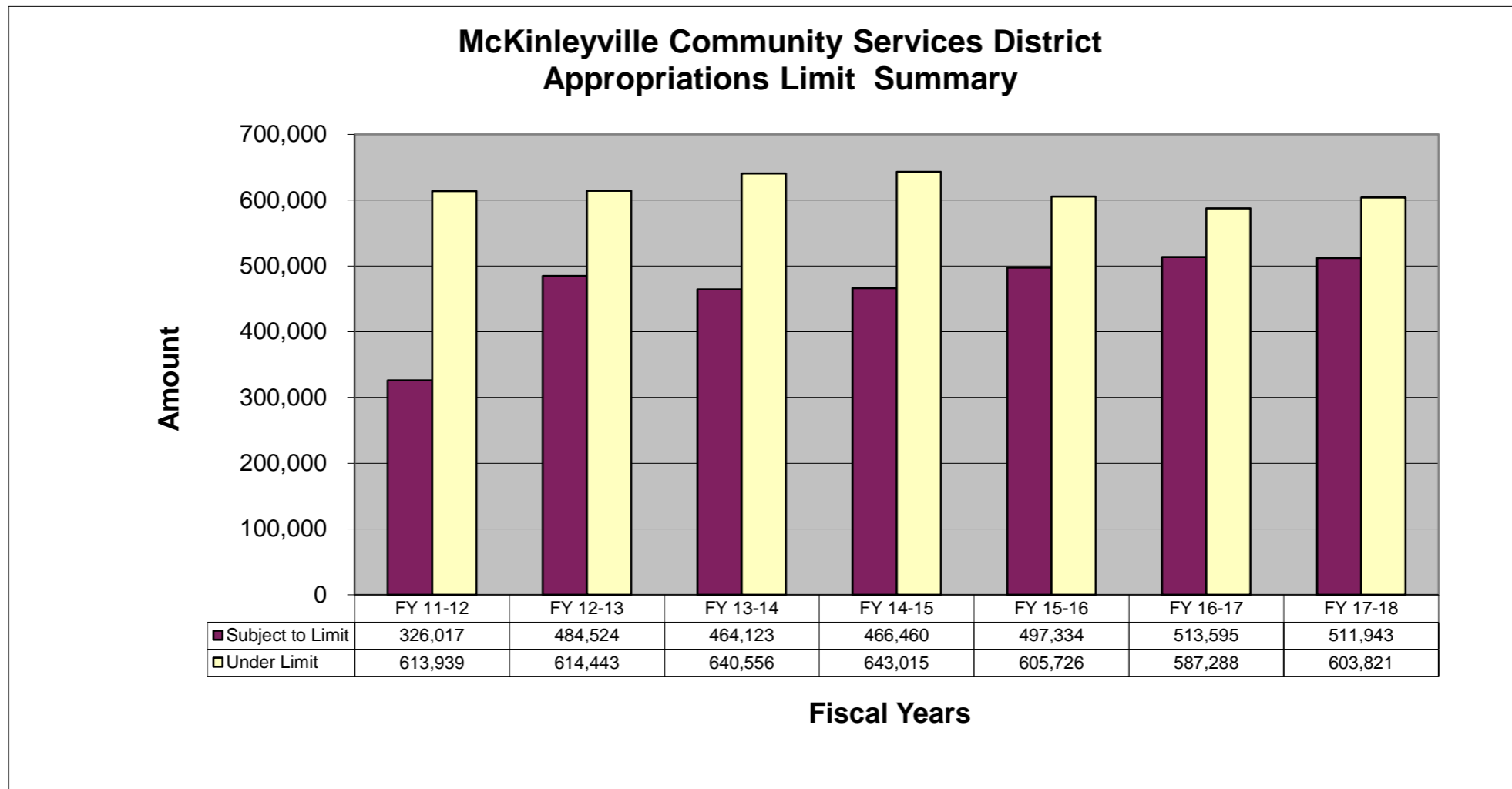
## McKinleyville CSD Strategic Plan Matrix 2017-2021

STRATEGIC PLAN SECTION#	PROJECT NAME	PROJECT MANAGER	CURR. FY CIP\$	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021	EST. COMPLETION	TOTAL PROJECT % COMPLETE	STATUS/COMMENTS
7.5	Board Development Policy	GM & Board	n/a	Ongoing annual AB 1234 Ethics training	Ongoing annual AB 1234 Ethics training	Ongoing annual AB 1234 Ethics training	Ongoing annual AB 1234 Ethics training	Ongoing annual AB 1234 Ethics training		Ongoing	Additional continuing education courses encouraged to promote ethical and transparent government
7.6	Review/Update Strategic Plan	GM & Board	n/a	Annual review & revision	Annual review & revision	Annual review & revision	Annual review & revision	Annual review & revision		Ongoing	When do we think the Board will approve this?
7.7	Emergency Preparedness and Response	GM & Dept. Heads	n/a	Conduct table top exercise/training and review EOP	Conduct table top exercise/training and review EOP	Conduct table top exercise/training and review EOP	Conduct table top exercise/training and review EOP	Conduct table top exercise/training and review EOP		50%	EOP Manual Update Complete
7.8	Achieve Best Practices Awards	GM & Board & Board Secretary	n/a	Re-apply for the SDFL "District of Distinction" accreditation program & re-apply for Transparency Certificate	Achieve 6 hours of governance training as required	Re-apply for the SDFL "District of Distinction" accreditation program & re-apply for Transparency Certificate	Achieve 6 hours of governance training as required	Re-apply for the SDFL "District of Distinction" accreditation program & re-apply for Transparency Certificate		Ongoing	One Board Member still needs Governance Certificate
7.9	Explore Alternative Energy Options	GM & Board	n/a	Staff will work to create an alternative energy master plan	Make decision to develop solar energy at WWMF and energy efficiency grant opportunities	Continue to explore opportunities for alternative energy and storage	Continue to explore opportunities for alternative energy and storage	Complete comprehensive solar Master Plan		Ongoing	Continue working towards energy independence
7.10	Planning and Latent Powers	GM & Board	n/a	Propose phasing work to allow Board to consider the value of each step related to cost	Propose phasing work to allow Board to consider the value of each step related to cost					Ongoing	Review and report to Board annually
7.11	Integrated Pest Mgmt Plan	GM/OD	n/a	Complete reduced toxicity list & cost matrix /plan implemented	Annual Review, monitoring and report	Annual Review, monitoring and report	Annual Review, monitoring and report	Annual Review, monitoring and report		Ongoing	Review and update every 5 years
<b>8.0 Finance</b>											
8.1	Reserve Policy Implementation	GM/FD	n/a	Review & monitor	Review & monitor	Review & monitor	Review & monitor	Review & monitor		Ongoing	Review and Update as required
8.2	Budget Development	FD	n/a	Information collection started	Review & adjust	Review & adjust	Review & adjust	Review & adjust	FY2015-16 @ 100%	Ongoing	
8.3	Capital Budget Mgmt	GM/FD	n/a	Information collection started	Review & adjust	Review & adjust	Review & adjust	Review & adjust	FY2015-16 @ 100%	Ongoing	
8.4	Development of Financial Mgmt System	GM/FD	n/a	Review & evaluate available software	RFP, choose vendor, lay out implementation plan	Begin implementation	Complete implementation		2020	3%	
8.5	Financial Audit	FD	n/a	3-yr RFP for audit completed	Conduct annual audit	Conduct annual audit	Conduct annual audit	3-yr RFP for audit completed	Dec-15	95%	
8.6	Monitor Reserves Recovery	FD	n/a	Expected completion December 2017					2017	64%	
8.7	Rate Studies	GM & Board	n/a		Water & sewer rate analysis			Capacity fee review and Prop 218		Ongoing	

## McKinleyville Community Services District Appropriations Limit Calculation Summary FY 17-18 Budget

<b>Prior Year Final Appropriation Limit</b>		<b>\$ 1,100,883</b>
<b>Allowed Compounded Percentage Increase from Prior Year <sup>(1)</sup></b>		
Non-Residential Assessed Valuation Percent Change	0.249%	
MCSD Unicorporated County Population Percent Change	1.100%	
Compounded Percentage as an Adjustment Factor	1.352%	
Annual Adjustment Amount to Appropriation Limit		14,881
<b>Current Year Appropriation Limit</b>		1,115,765
<b>Current Year Adopted Budget Appropriations From Proceeds of Taxes <sup>(2)</sup></b>		
Proceeds of Taxes From Adopted Budget <sup>(3)</sup>	528,812	
Less Allowable Exclusion of Certain Appropriations <sup>(3)</sup>	(16,868)	
<b>Current Year Appropriations Subject to Appropriation Limit</b>		511,943
<b>Current Year Appropriations Under the Appropriation Limit <sup>(3)</sup></b>		\$ (603,821)
<b>Percentage Under the Limit</b>		-54%





(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.

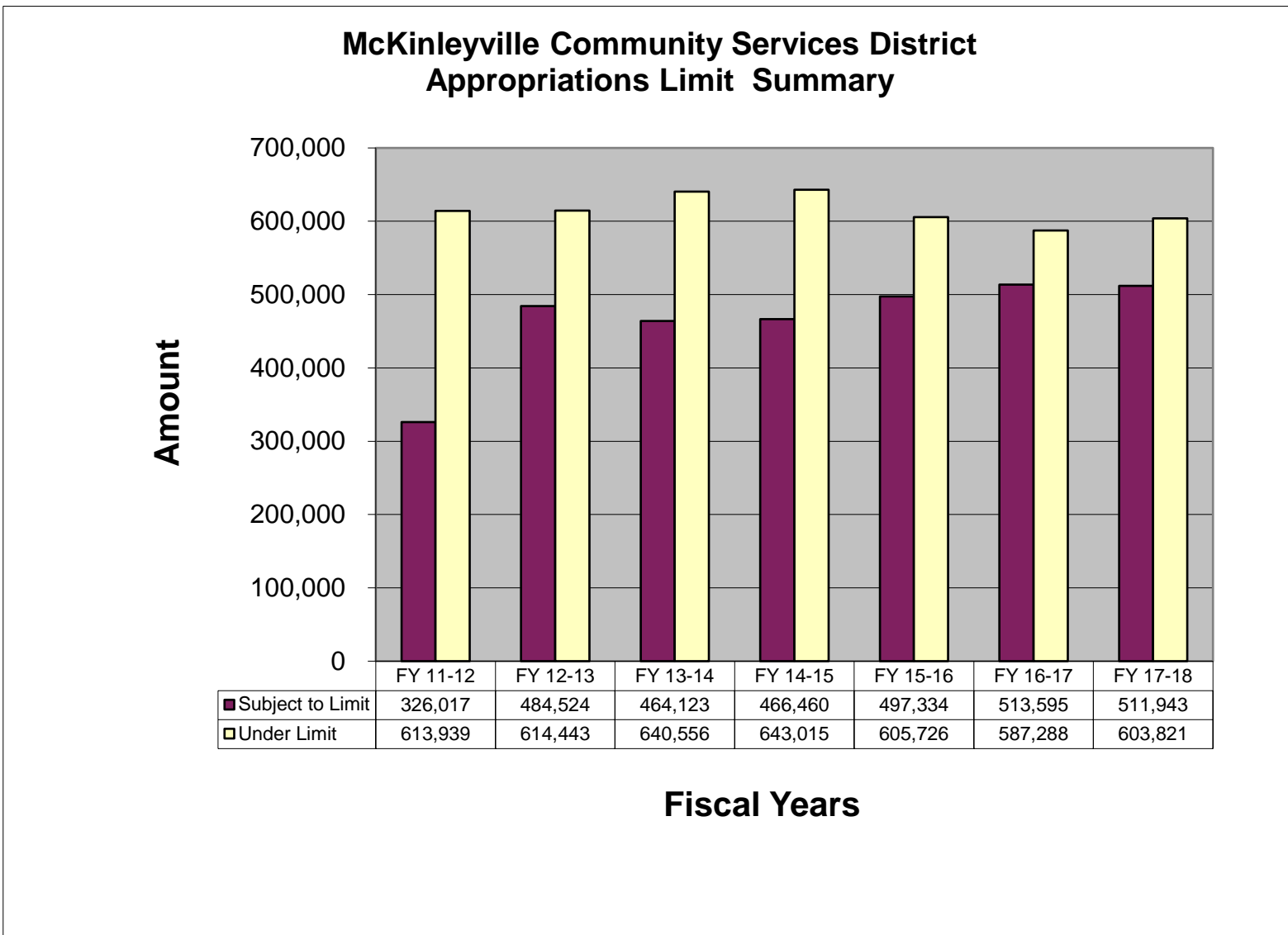
(3) Summary of worksheets for above calculations of Appropriations Limit and Appropriations Subject to Limit.

Summary of Appropriations From Proceeds of Taxes	From Non Proceeds of Taxes	From Proceeds of Taxes	Total Appropriations
General Fund	905,098	528,812	1,433,910
Street Lighting Fund	101,250	-	101,250
Water Fund	4,044,493	-	4,044,493
Wastewater Fund	3,822,457	-	3,822,457
<b>Total Proceeds and Non Proceeds of Taxes</b>	<b>8,873,298</b>	<b>528,812</b>	<b>9,402,110</b>
<b>Summary of Exclusions</b>			
Court Order Costs	-		
Federal Mandates	16,868		
Qualified Capital Equipment	-		
Qualified Debt Service	-		
<b>Total Exclusions to Appropriations Subject to Limit</b>	<b>16,868</b>		

**McKinleyville Community Services District**  
**APPROPRIATIONS LIMIT CALCULATION**

**Summary Charts**

Fiscal Year	Appropriations Limit Revised	Subject to Limit	Under Limit
FY 10-11	844,558	312,246	532,312
FY 11-12	939,956	326,017	613,939
FY 12-13	1,098,967	484,524	614,443
FY 13-14	1,104,678	464,123	640,556
FY 14-15	1,109,476	466,460	643,015
FY 15-16	1,103,060	497,334	605,726
FY 16-17	1,100,883	513,595	587,288
FY 17-18	1,115,765	511,943	603,821



**McKinleyville Community Services District**  
**APPROPRIATIONS LIMIT CALCULATION**  
**FY 17-18 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
<b>GENERAL FUND - Parks</b>					
Charges for Services	510,550	510,550			
Miscellaneous Fees & Reimbursements	16,532	16,532			
<b>Total General Fund</b>	<b>527,082</b>	<b>527,082</b>	-	-	-
<b>Street Lighting Fund</b>	101,250		101,250		
<b>Water Operations Fund</b>	4,044,493			4,044,493	
<b>Wastewater Operations Fund</b>	3,822,457				3,822,457
<b>Total Estimate of User Fees</b>	<b>8,495,282</b>	<b>527,082</b>	<b>101,250</b>	<b>4,044,493</b>	<b>3,822,457</b>
<b>Current Year Adopted Budget</b>					
Operations & Equipment	7,559,952	1,427,393	99,075	2,828,438	3,205,046
Allocations for Improvements	-				
<b>User Fees (Under) or in Excess of Costs</b>	<b>935,330</b>	<b>(900,311)</b>	<b>2,175</b>	<b>1,216,055</b>	<b>617,411</b>

**McKinleyville Community Services District**  
**APPROPRIATIONS LIMIT CALCULATION**  
**FY 17-18 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
<b>General Fund</b>							
Property Tax	525,000				525,000	-	525,000
Special Assessment	214,662				214,662	214,662	-
Charges for Services	510,550				510,550	510,550	-
Grants	43,089				43,089	43,089	-
Development Fees	114,077				114,077	114,077	-
Interest (4)	10,000				10,000	6,188	-
Miscellaneous Fees & Reimbursements	16,532				16,532	16,532	3,812
Other Financing Sources					-	-	-
Other Sources					-	-	-
<b>TOTAL GENERAL FUND REVENUES</b>	<b>1,433,910</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,433,910</b>	<b>905,098</b>	<b>528,812</b>
<b>Street Lighting Fund</b>	101,250	(174)				101,250	
<b>Water Fund</b>	4,044,493	(1,216,054)				4,044,493	
<b>Wastewater Fund</b>	3,822,457	(617,411)				3,822,457	
<b>Debt Service Fund</b>	-					-	
<b>Total All Funds</b>	<b>9,402,110</b>	<b>(1,833,639)</b>	<b>-</b>	<b>-</b>	<b>1,433,910</b>	<b>8,873,298</b>	<b>528,812</b>

(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 17-18 Budget**

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

Fnd	Acct	Estimated Revenue (2)	Less Non- Proceeds of Taxes	Net Proceeds of Taxes	Comments
<b>General Fund - Parks</b>					
41050	ADMIN FEE	4,800	4,800		Reimbursement for Services
42020	PROC. FEES	1,700	1,700		User Fees for Services
42030	BAD CHECK FEES	60	60		Miscellaneous Fees and Reimbursements
43002	REFUNDS/REBATES	-	-		Miscellaneous Fees and Reimbursements
43195	OTHER OP. REV.	1,500	1,500		Miscellaneous Fees and Reimbursements
43197	LEASE REVENUE	2,172	2,172		Use of Property fees
44000	OPEN SPACE FEES	94,077	94,077		Development Fees
45000	OPEN SPACE FEES	10,000	10,000		Development Fees
47050	MSC PAYROLL REM	-	-		Miscellaneous Fees and Reimbursements
47999	EVENT RENTALS	35,600	35,600		User Fees for Services
48000	COMM. EVENTS	-	-		User Fees for Services
48001	VENDOR CONTRACT	75,000	75,000		User Fees for Services
48002	EVENT SERVICES	6,000	6,000		User Fees for Services
48010	INSURANCE FEES	800	800		User Fees for Services
48020	AD INCOME	600	600		User Fees for Services
48040	COMMISSIONS VND	-	-		User Fees for Services
48050	REC. PROGRAMS	399,900	399,900		User Fees for Services
48051	FRF DISCOUNT	(9,050)	(9,050)		User Fees for Services
48055	PROGRAM GRANTS	28,089	28,089		Related to Restricted Grants
48070	SALE OF SCRAP	-	-		Use of Property fees
50001	INT. REVENUE	10,000	6,188	3,812	Allocated
51001	SECURED TAXES	525,000		525,000	
51060	MEASURE B ASSMT	214,662	214,662		Special Assessment Restricted Specific Use
52000	OTHER INCOME	1,500	1,500		Miscellaneous Fees and Reimbursements
53001	CONTRIBUTIONS	2,000	2,000		Donations
53002	QUIMBY FEES	10,000	10,000		Development fees
54001	STATE GRANTS	15,000	15,000		Related to Restricted Grants
56000	GAIN ON DISPOSAL	4,500	4,500		Miscellaneous Fees and Reimbursements
<b>Total General Fund</b>		<b>1,433,910</b>	<b>905,098</b>	<b>528,812</b>	
<b>Street Lighting</b>					
41050	ADMIN FEE	13,750	13,750		
42020	PROC. FEES	3,700	3,700		
43195	OTHER OP. REV.	-	-		
47001	ST. LIGHT CHGS	78,300	78,300		
47001	ST. LIGHT CHGS	5,500	5,500		
50001	INT. REVENUE	-	-		
<b>Total Street Lighting</b>		<b>101,250</b>	<b>101,250</b>	<b>-</b>	User Fees for Services
<b>Water Fund</b>					
40000	WATER BASE CHG	1,321,739	1,321,739		
40001	MTR. WATER SALE	2,311,398	2,311,398		
41001	NEW SVC. FEES	20,000	20,000		
41002	INSTALLATION FEES	-	-		
41020	PL. CK. FEE DEP	500	500		
42001	PERMIT FEES	750	750		
42010	CONN. FEES	100,000	100,000		
42020	PROC. FEES	17,500	17,500		
42030	BAD CHECK FEES	497	497		
42040	RECONN. FEES	18,000	18,000		
42050	DCV INSPECTION	20,000	20,000		
43010	REC. BAD DEBTS	851	851		
43190	CELL TOWER REV.	14,500	14,500		
43195	OTHER OP. REV.	12,000	12,000		
43197	LEASE REVENUE	3,600	3,600		
43198	PAVING FEES	2,000	2,000		
43199	SERVICE UPGRADE	-	-		

**McKinleyville Community Services District  
Revenue Estimates Detail  
FY 17-18 Budget**

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

Fnd	Acct	Estimated Revenue (2)	Less Non- Proceeds of Taxes	Net Proceeds of Taxes	Comments
46000	AFTER HRS CHGS	912	912		
48060	EQUIP USAGE FEE	-	-		
48070	SALE OF SCRAP	4,000	4,000		
50001	INT. REVENUE	25,000	25,000		
50005	LATE CHARGES	15,246	15,246		
51011	CONTRIB CONST	150,000	150,000		
52000	OTHER INCOME	1,000	1,000		
56000	GAIN ON DISPOSAL	4,000	4,000		
57000	UNREALIZED GAIN/LOSS	1,000	1,000		

<b>Total Water</b>	<b>4,044,493</b>	<b>4,044,493</b>	<b>0</b>	User Fees for Services
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**Wastewater Fund**

40002	SWR SVC CHGS.	3,392,157	3,392,157		
40010	STORM WATER FEE	350	350		
41001	NEW SVC. FEES	25,000	25,000		
41002	INSTALLATION FEES	-	-		
41020	PL. CK. FEE DEP	-	-		
41040	SWR CONST PRMT	1,000	1,000		
42001	INSPECTION FEES	-	-		
42010	CONN. FEES	175,000	175,000		
42020	PROC. FEES	-	-		
42030	BAD CHECK FEES	250	250		
42040	RECONN. FEES	-	-		
42050	DCV INSPECTION	-	-		
43010	REC. BAD DEBTS	1,200	1,200		
43190	CELL TOWER REV.	12,500	12,500		
43195	OTHER OP. REV.	5,000	5,000		
43197	LEASE REVENUE	20,000	20,000		
43198	PAVING FEES	1,000	1,000		
46000	AFTER HRS CHGS	-	-		
48060	EQUIP USAGE FEE	-	-		
48070	SALE OF SCRAP	-	-		
50001	INT. REVENUE	22,000	22,000		
50005	LATE CHARGES	14,000	14,000		
51011	CONTRIB CONST	150,000	150,000		
56000	GAIN ON DISPOSAL	2,000	2,000		
57000	UNREALIZED GAIN/LOSS	1,000	1,000		

<b>Total Wastewater</b>	<b>3,822,457</b>	<b>3,822,457</b>	<b>0</b>	User Fees for Services
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**Debt Service**

<b>Total Debt Service</b>	<b>-</b>	<b>-</b>	<b>-</b>	Debt Related
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<b>Total All Funds</b>	<b>9,402,110</b>	<b>8,873,298</b>	<b>528,812</b>	
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**McKinleyville Community Services District**  
**APPROPRIATIONS LIMIT CALCULATION**  
**FY 17-18 Budget**

<b>Calculation of Appropriations Subject to  Limit (Worksheet #4 of Guidelines)</b>
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	<u>Adopted Budget</u>
Total Appropriations From Proceeds of Taxes (From Worksheet # 2)	\$ 528,812
Less Allowed Exclusions (From Worksheet #7)	(16,868)
Current Year Appropriations Subject to Limit	<u>\$ 511,943</u>
Current Year Appropriations Limit (From Worksheet #6)	1,115,765
Current Year Appropriations Over or (Under) Limit	<u>\$ (603,821)</u>
Percentage Over or (Under) Limit	<u>-54%</u>

McKinleyville Community Services District

APPROPRIATIONS LIMIT CALCULATION

FY 17-18 Budget

Population and Growth Factors (Worksheet #5 of Guidelines)

	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 05-06	5.26	-42.46	0.85	0.70	106.15471%	341,732
FY 06-07	3.96	21.98	0.10	0.38	122.44352%	418,429
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

[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 17-18 Budget**

<b>Appropriations Limit Calculation (Worksheet #6 of Guidelines)</b>
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<b>Prior Year Appropriations Limit (From Worksheet #5)</b>	<b>\$ 1,100,883</b>
<b>Current Year Growth Factors (From Worksheet #5)</b>	
Non-Residential Assessed Valuation Percent Change	0.25%
MCSD Unincorporated County Population Percent Change	1.10%
	<hr/>
<b>Compounded Total Percentage Adjustment Factor</b>	<b>1.352%</b>
<b>Current Year Annual Adjustment Amount</b>	<b>\$ 14,881</b>
<b>Other Adjustments to Limit (see detail worksheets)</b>	
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
	<hr/>
<b>Total Adjustments to Limit</b>	<b>\$ -</b>
	<hr/>
<b>Current Year Appropriations Limit</b>	<b>\$ 1,115,765</b>
	<hr/> <hr/>

**McKinleyville Community Services District**  
**APPROPRIATIONS LIMIT CALCULATION**  
**FY 17-18 Budget**

<b>Exclusions to Appropriations Limit (Worksheet #7 from Guidelines)</b>
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	<b>Exclusions</b>
<b>Court Orders</b>	-
<b>Federal Mandates</b>	
Fair Labor Standards Act Payments	-
FICA and Medicare Payments	13,698
Unemployment Payments	3,170
<b>Total Federal Mandates</b>	<b>16,868</b>
<b>Qualified Capital Outlays (Assets of over \$100,000 )</b>	-
<b>Total Qualified Capital Outlays Paid From Proceeds of Taxes</b>	-
<b>Qualified Debt Service</b>	
<b>Total Qualified Debt Service Paid From Proceeds of Taxes</b>	-
<b>Total Exclusions</b>	<b>16,868</b>