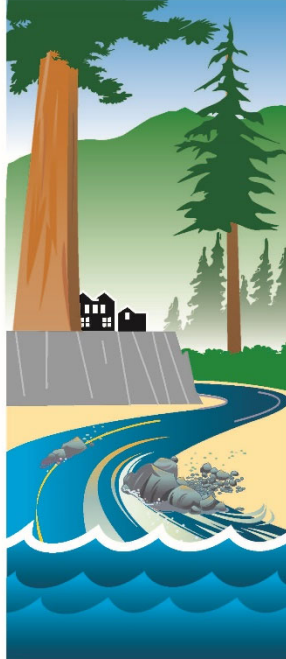


McKINLEYVILLE



COMMUNITY SERVICES DISTRICT



BUDGET

For the Fiscal Year Ending June 30, 2025

Adoption Date: June 5, 2024

MCSO BOARD OF DIRECTORS

Scott Binder, President
James Biteman, Vice President
David Couch, Director
Dennis Mayo, Director
Gregory P. Orsini, Director

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

For the Fiscal Year Ending June 30, 2025

INTRODUCTION AND BUDGET GUIDE

This budget is intended to serve as a management tool for the operation of the McKinleyville Community Services District (MCSD) during fiscal year July 1, 2024 through June 30, 2025. 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, estimated Full-Time Employee Equivalents for the fiscal year, and the Organizational Chart are included beginning at Page 5.
- Budgets and accompanying graphs for the Governmental Funds & the Enterprise Funds are shown beginning at Page 8. 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 15.
- MCSD's Capital Improvement Program Budgets, Exhibit 11, start on Page 19. Narratives are shown in Appendix A, beginning at Page 30.
- A summary of the MCSD's Board current Strategic Plan 2024-2029 is shown in Appendix B, beginning at Page 33.
- The Appropriations Limit calculations required by law for the Fiscal Year 2024-25 are included in Appendix C, starting on Page 44.

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 16,262 according to 2020 data from the U. S. Census Bureau. It is the third largest community population area in Humboldt County behind Eureka (26,512) and Arcata (18,857). 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 Cal Poly Humboldt, 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. In January 2024 the District closed escrow on 599 acres of timberland that is now the McKinleyville Community Forest which will undergo further recreational development in years to come.

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 7,500 water customers. An additional 4.5 million gallon tank is currently under construction to be completed in 2025.

All sewage for MCSD's 6,600 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, Pialorsi Irrigation Site, and at Hiller Park. With a major upgrade of the Wastewater Management Facility completed in 2019, 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.

**McKINLEYVILLE COMMUNITY SERVICES DISTRICT
MISSION STATEMENT**

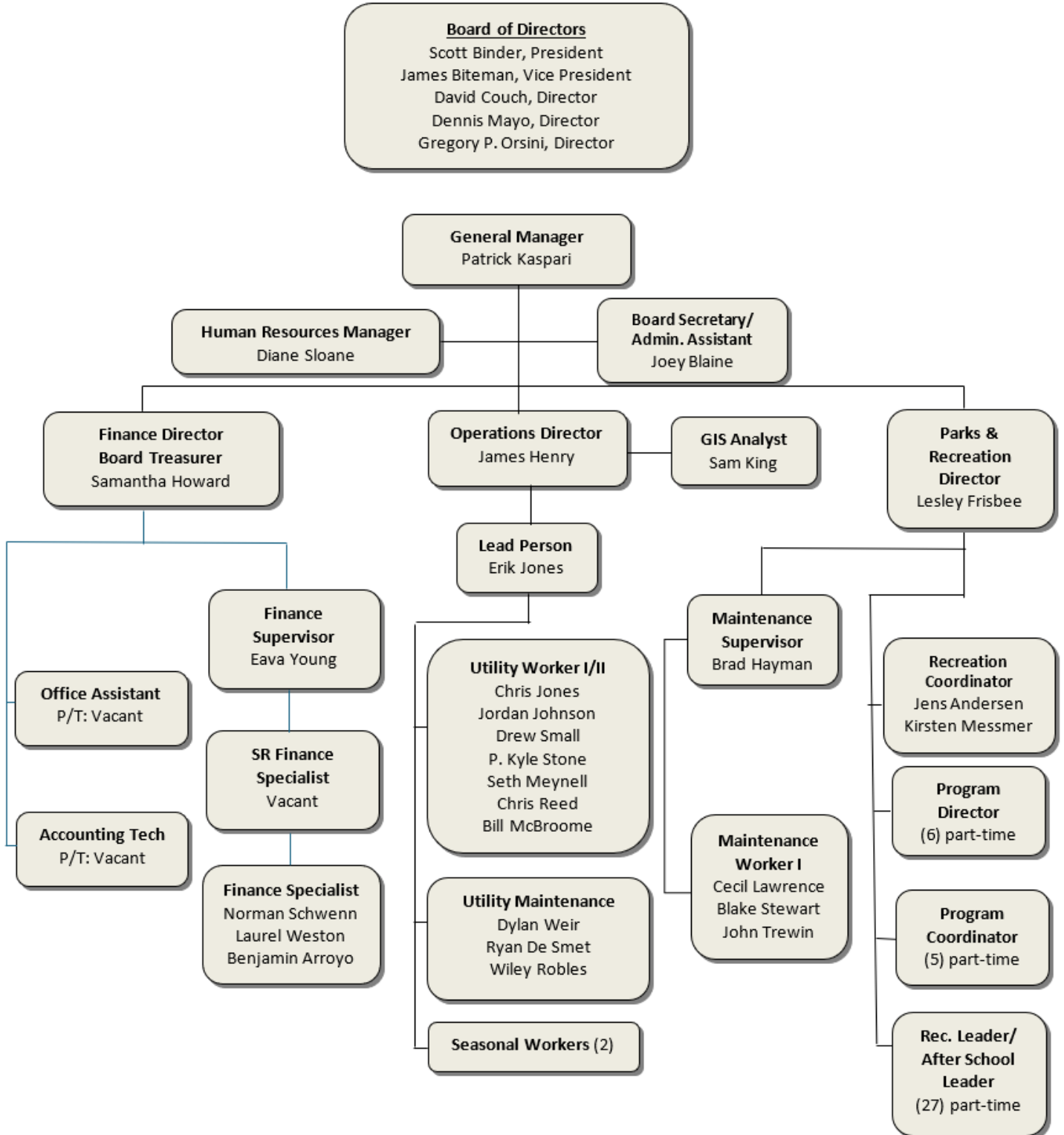
McKinleyville Community Services District provides authorized services fundamental to the health and well-being of the community.

**Estimated Employee Full Time Equivalents
For the Fiscal Year ending June 30, 2025**

	Full-Time Benefitted	Part-Time & Seasonal	Total FTEs
General Manager	1	0	1
Finance & Administration	8	2	9
Operations	13	2	14
Parks & Recreation	7	38	7.5
Total	28	41	31.5

McKinleyville Community Services District Organization Chart: Fiscal Year 2024-25

Revised May 2024



McKinleyville Community Services District
Exhibits of Financial Information
Budget for the year ending June 30, 2025

Table of Contents

<i>Page 08</i>	<i>Exhibit 1 – Fund Budget Summary and Projected Fund Balance</i>
<i>Page 10</i>	<i>Exhibit 2 – Budget & Graphs, Water Fund</i>
<i>Page 11</i>	<i>Exhibit 3 – Budget & Graphs, Wastewater Fund</i>
<i>Page 12</i>	<i>Exhibit 4 – Budget & Graphs, Streetlights Fund</i>
<i>Page 13</i>	<i>Exhibit 5 – Budget & Graphs, General/Parks Fund</i>
<i>Page 14</i>	<i>Exhibit 6 – Budget & Graphs, Measure B Fund</i>
<i>Page 15</i>	<i>Exhibit 7-10 – Historical Data</i>
<i>Page 19</i>	<i>Exhibit 11 – 10 Year Capital Improvement Plans</i>
<i>Page 30</i>	<i>Appendix A – Capital Expenditures Overview and Narratives</i>
<i>Page 33</i>	<i>Appendix B – Strategic Plan Summary 2019-2024</i>
<i>Page 44</i>	<i>Appendix C – Appropriations Limit Calculations</i>

McKinleyville Community Services District
Budget Summary: Net Position - All Funds
FY2024-25

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 \$56,630,770 as of June 30, 2025.

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, 2025, the net position of the District is projected to increase from the FY22-23 total of \$39,401,840. An increase of approximately 21.6% or \$8,511,421 is projected for the current fiscal year FY23-24. Another increase of approximately 18.2% for budgeted year FY24-25 will result in a total net position of \$56,630,770.

A 7.68% reduction in total revenues is projected for the end of the current year, or (\$998,001) for a total of \$12,003,011 from all revenue sources. This compares to a much larger increase projected for the upcoming budget year of 72.3% or \$8,674,459 for a total of \$20,677,470 in projected revenues for FY24-25.

Total expenditures are projected to increase at the end of the current year by 11% or \$953,891 for a total of \$9,633,032 for all expenditure types. The overall increase projected for the coming budget year is even greater, at 25.7% or \$2,476,929 for a total of \$12,109,961 projected budgeted expenditures for FY24-25.

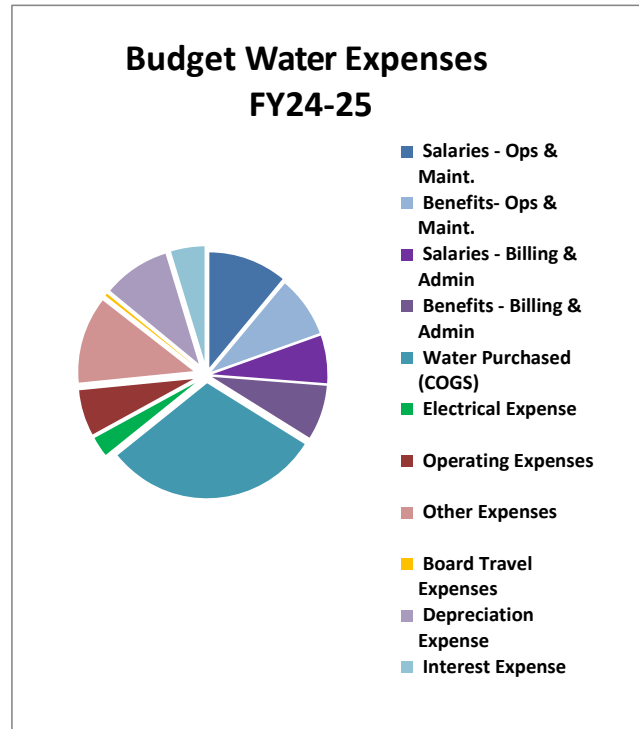
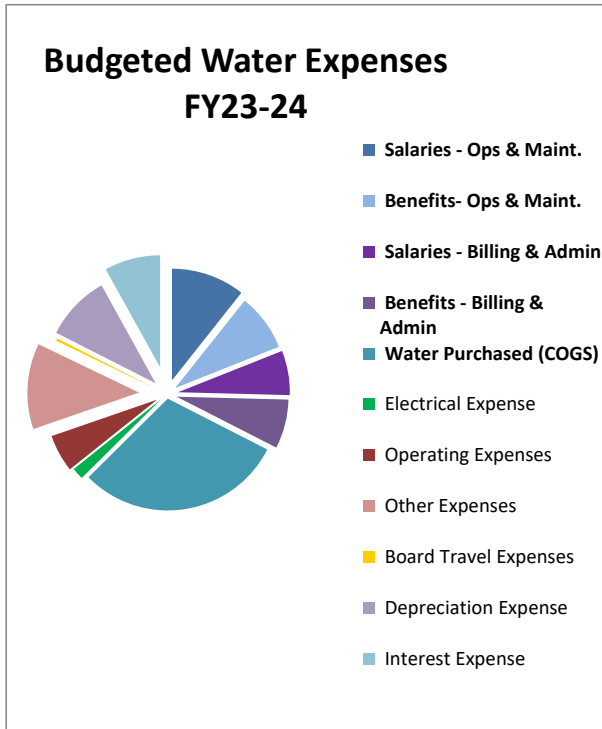
Overall net position is projected to change positively in the current fiscal year. In the coming year, projected net position will increase significantly due to grant revenues and their associated investment in the District's capital assets. In the Enterprise Funds, a larger increase is projected in the Water Fund than the Wastewater Fund due to the construction of the 4.5 MG water tank. In the Governmental Funds, the Parks General Fund will see an increase in revenues due to grants to build a BMX track. These revenues will be offset by associated capital expenditures. Since the increase in Measure B assessments was approved, revenues for the maintenance of community capital assets will increase, though that increase will be offset by expenditures covering both deferred and additional maintenance. The Streetlight Fund returns to a more normal picture, with budgeted revenues exceeding budgeted expenditures now that last year's pole inspections are complete.

McKinleyville Community Services District
Summary Budgets - All Funds
FY 2024-25

Description	Water Fund	Wastewater Fund	Streetlights Fund	Gen'l/Parks Fund	Measure B Fund	Total (Memorandum Only)
Revenues						
Water Sales	4,350,000					4,350,000
Sewer Service Charges		4,200,000				4,200,000
Capacity Fees	150,000	200,000				350,000
Streetlight Charges			120,000			120,000
Program Fees				426,150		426,150
Facility Fees				84,750		84,750
Property Taxes				733,794		733,794
Measure B Assessment					701,659	701,659
Open Space Fees				160,350		160,350
Contributions & Other Program				1,500		1,500
Other Revenue & Capital Project Grants	7,131,950	811,442	18,500	44,275		8,006,167
Contributed Construction	25,000	125,000				150,000
Proceeds from Long Term Debt (Gov't only)						-
Quimby Fees/Capital Proj. Grants				1,310,000		1,310,000
Interest Revenue	150,000	120,000	100	75,000	3,000	348,100
Total Revenues	11,806,950	5,456,442	138,600	2,835,819	704,659	20,942,470
Expenditures						
Salaries & Benefits - Operations & Maint.	834,635	899,846	3,849			1,738,330
Salaries & Benefits - Billing & Admin	611,770	608,598	60,533			1,280,901
Salaries & Benefits - Rec Programs				434,740		434,740
Salaries & Benefits- Parks Maintenance				210,207	172,569	382,776
Salaries & Benefits- Parks&Rec Admin				462,492		462,492
Water Purchased (COGS)	1,295,000					1,295,000
Water & Electrical Expense	120,000	228,000	30,000			378,000
Operating Expenses	274,500	419,000				693,500
Other Expenses	518,485	509,199	31,094			1,058,778
Other Expenditures - Rec Programs				26,225		26,225
Other Expenditures - Parks Maintenance				88,100	150,750	238,850
Other Expenditures - Parks&Rec Admin				177,150		177,150
Depreciation Expense	400,000	1,500,000				1,900,000
Board Travel Expense	15,000	5,000	600	1,500		22,100
CalPERS UAL - Gov't Funds only				10,000		10,000
Debt Service - Gov't Funds only					105,968	105,968
Interest Expense	200,724	255,851		33,744	189,485	679,805
Parks/Meas.B Capital Expenditures			5,000	1,266,256		1,271,256
Total Expenditures	4,270,114	4,425,494	131,076	2,710,414	618,772	12,155,871
Excess (Deficit)	7,536,836	1,030,948	7,524	125,405	85,887	8,786,599
Fund Balance - July 1, 2023	14,506,820	24,486,253	142,393	925,859	(659,485)	39,401,840
Projected Surplus (Deficit) FY2023-24	2,505,041	391,349	4,300	(407,395)	(23,316)	2,469,979
Debt Principal FY2023-24 (Enterprise only)	264,037	539,053				803,090
New Borrowing FY2023-24(Enterprise only)						-
Capital Expenditure FY2023-24(Enterprise)	(4,064,162)	(1,442,009)				(5,506,171)
Projected Fund Balance June 30, 2024	13,211,736	23,974,646	146,693	518,464	(682,801)	37,168,738
Budgeted Excess (Deficit) FY2024-25	7,536,836	1,030,948	7,524	125,405	85,887	8,786,599
Anticipated Borrowing FY2024-25(Enterprise)	-	-				-
Capital Project grant funding (contingent)	7,000,000	725,000				7,725,000
Debt Principal FY2024-25(Enterprise only)	273,367	628,987				902,354
Capital Expenditure FY2024-25(Enterprise)	(9,483,000)	(317,000)				(9,800,000)
Projected Fund Balance June 30, 2025	18,538,938	26,042,581	154,217	643,869	(596,914)	44,782,691

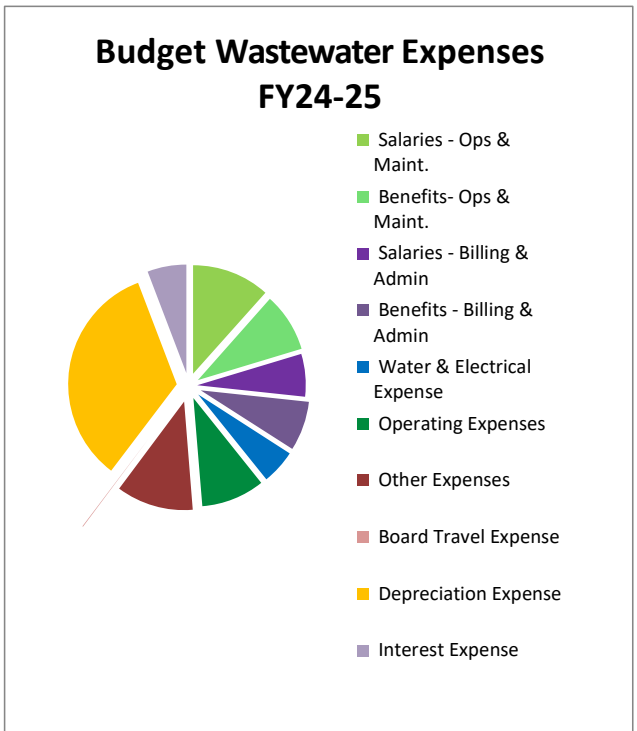
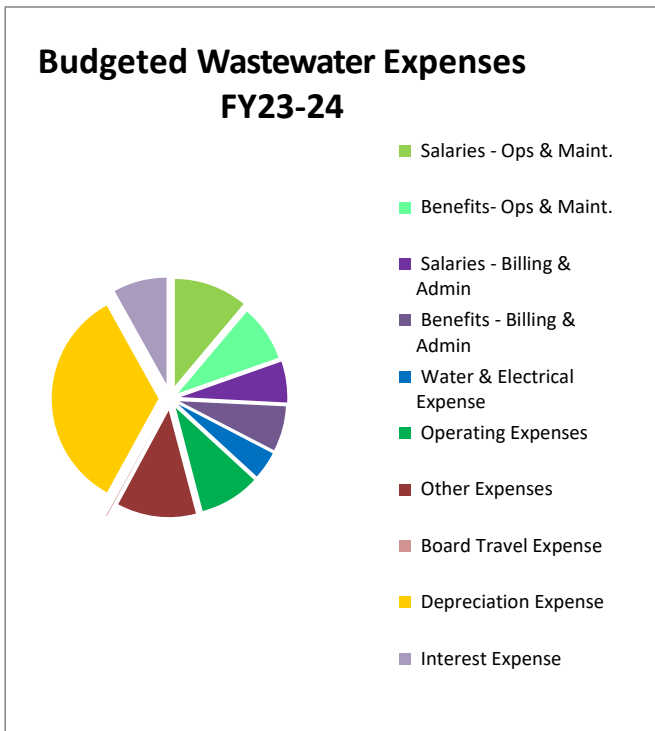
McKinleyville Community Services District
Enterprise Funds: Water Operating Budget
FY 2024-25

Description	Water Fund Approved Budget FY23-24		Water Fund Approved Budget FY24-25		Difference (Memorandum Only)	
Water Revenues						
Water Sales	4,300,000	37%	4,350,000	36%	50,000	1%
Capacity Fees	150,000	1%	150,000	1%	-	0%
Other Revenue	7,087,450	61%	7,131,950	60%	44,500	1%
Contributed Construction	75,000	1%	25,000	1%	(50,000)	-67%
Interest Revenue	85,000	1%	150,000	1%	65,000	76%
Total Revenues	11,697,450	100%	11,806,950	99%	109,500	1%
Water Expenses						
Salaries - Ops & Maint.	451,304	11%	470,681	11%	19,377	4.3%
Benefits- Ops & Maint.	350,865	8%	363,954	9%	13,089	3.7%
Salaries - Billing & Admin	272,414	6%	285,911	7%	13,497	5.0%
Benefits - Billing & Admin	300,252	7%	325,859	8%	25,607	8.5%
Water Purchased (COGS)	1,270,398	30%	1,295,000	30%	24,602	1.9%
Electrical Expense	73,100	2%	120,000	3%	46,900	64.2%
Operating Expenses	228,500	5%	274,500	6%	46,000	20.1%
Other Expenses	525,857	12%	518,485	12%	(7,372)	-1.4%
Board Travel Expenses	15,000	0.4%	15,000	0%	-	0.0%
Depreciation Expense	400,000	9%	400,000	9%	-	0.0%
Interest Expense	340,351	8%	200,724	5%	(139,627)	-41.0%
Total Expenses	4,228,041	100%	4,270,114	100%	42,073	1%
Excess (Deficit)	7,469,409		7,536,836			



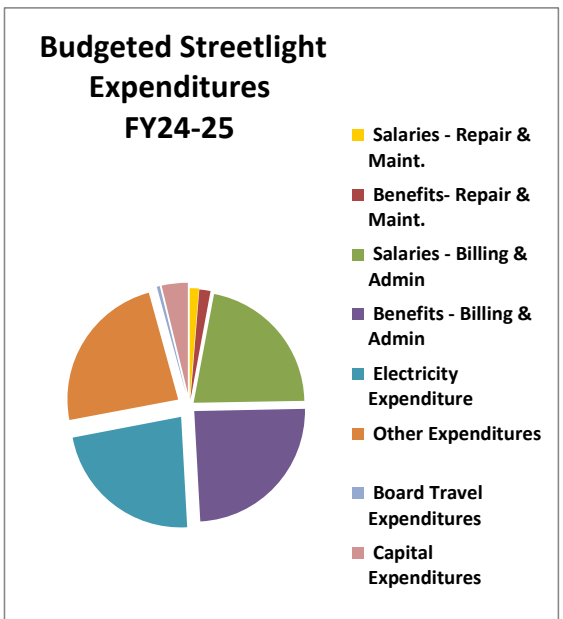
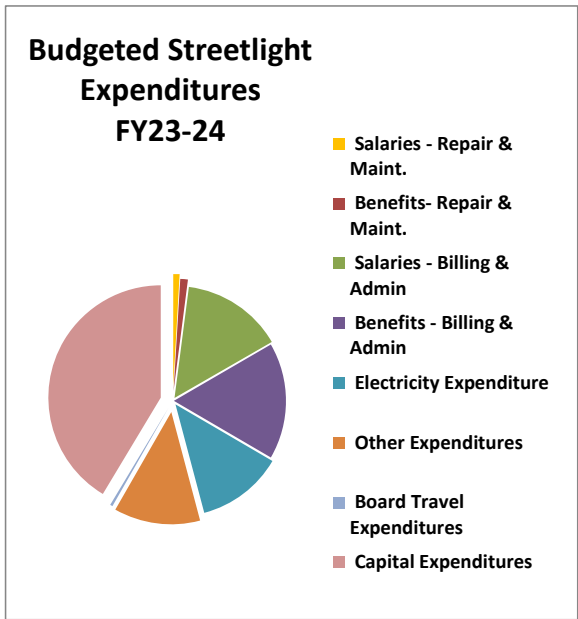
McKinleyville Community Services District
Enterprise Funds: Wastewater Operating Budget
FY 2024-25

Description	Wastewater Fund Approved Budget FY23-24		Wastewater Fund Approved Budget FY24-25		Difference (Memorandum Only)	
Wastewater Revenues						
Sewer Service Charges	4,200,000	76%	4,200,000	77%	-	0%
Capacity Fees	200,000	4%	200,000	4%	-	0%
Other Revenue	871,592	16%	811,442	15%	(60,150)	-7%
Contributed Construction	125,000	2%	125,000	2%	-	0%
Interest Revenue	130,000	2%	120,000	2%	(10,000)	-8%
Total Revenues	5,526,592	100%	5,456,442	100%	(70,150)	-1.3%
Wastewater Expenses						
Salaries - Ops & Maint.	491,516	11%	512,178	12%	20,662	4%
Benefits- Ops & Maint.	373,980	8%	387,668	9%	13,688	4%
Salaries - Billing & Admin	273,023	6%	282,104	6%	9,081	3%
Benefits - Billing & Admin	300,868	7%	326,494	7%	25,626	9%
Water & Electrical Expense	186,000	4%	228,000	5%	42,000	23%
Operating Expenses	402,500	9%	419,000	9%	16,500	4%
Other Expenses	527,441	12%	509,199	12%	(18,242)	-3%
Board Travel Expense	5,000	0%	5,000	0%	-	0%
Depreciation Expense	1,500,000	34%	1,500,000	34%	-	0%
Interest Expense	356,267	8%	255,851	6%	(100,416)	-28%
Total Expenditures	4,416,595	100%	4,425,494	100%	8,899	0.2%
Excess (Deficit)	1,109,997		1,030,948			



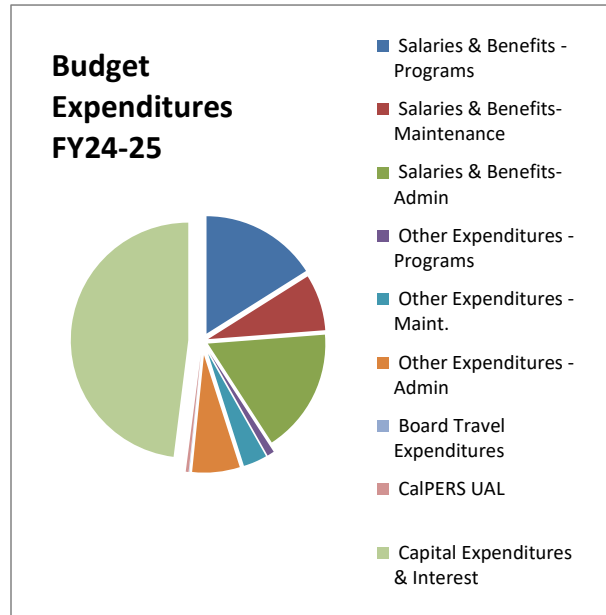
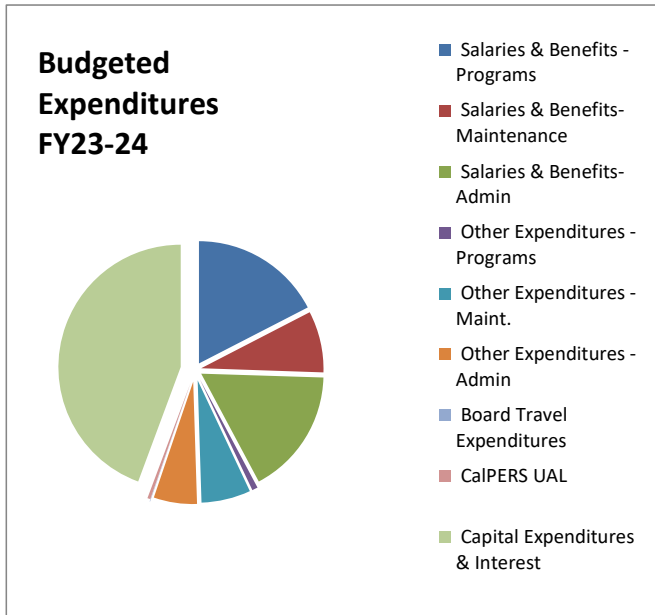
McKinleyville Community Services District
Streetlights Fund Operating Budget
FY 2024-25

Description	Streetlights Fund Approved Budget FY23-24		Streetlights Fund Approved Budget FY24-25		Difference (Memorandum Only)	
Streetlight Revenues						
Streetlight Charges	110,000	86%	120,000	87%	10,000	9.1%
Other Charges	18,500	14%	18,500	13%	-	0.0%
Interest Revenue	100	0%	100	0%	-	0.0%
Total Revenues	128,600	100%	138,600	100%	10,000	8%
Streetlight Expenditures						
Salaries - Repair & Maint.	1,678	1%	1,732	1%	54	3.2%
Benefits- Repair & Maint.	1,951	1%	2,117	2%	166	8.5%
Salaries - Billing & Admin	25,725	15%	28,509	22%	2,783	10.8%
Benefits - Billing & Admin	29,518	17%	32,024	24%	2,506	8.5%
Electricity Expenditure	22,000	12%	30,000	23%	8,000	36.4%
Other Expenditures	21,887	12%	31,094	24%	9,207	42.1%
Board Travel Expenditures	600	0%	600	0%	-	0.0%
Capital Expenditures	73,000	41%	5,000	4%	(68,000)	-93.2%
Total Expenditures	176,360	100%	131,076	100%	(45,284)	-26%
Excess (Deficit)	(47,760)		7,524			



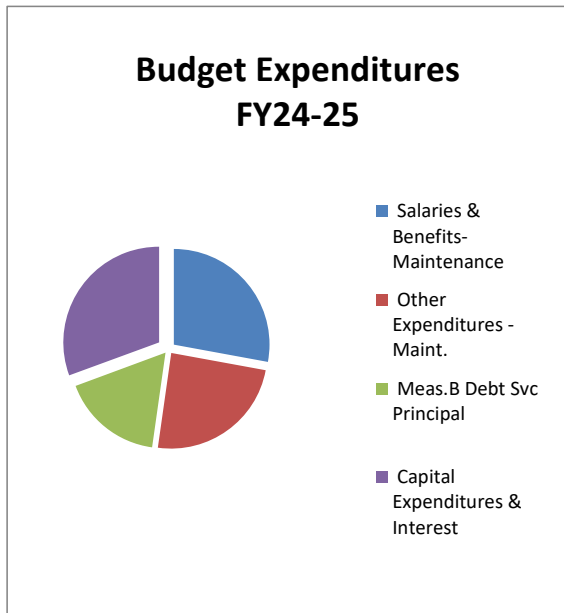
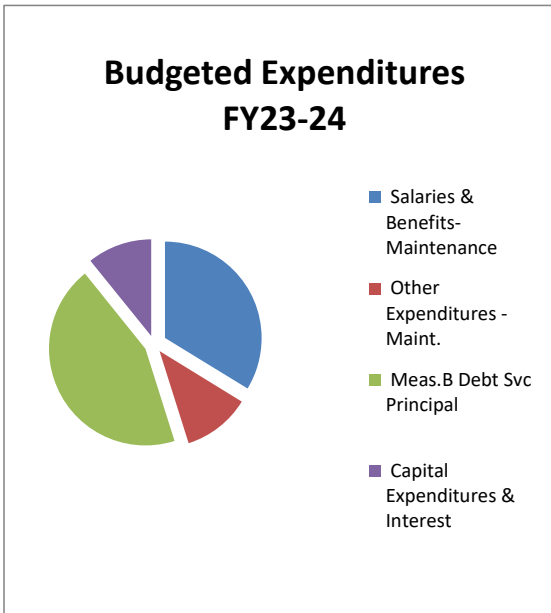
McKinleyville Community Services District
Parks/General Fund Operating Budget
FY 2024-25

Description	Parks/General Fund Approved Budget FY2023-24		Parks/General Fund Approved Budget FY2024-25		Difference (Memorandum Only)	
Revenues						Incr(decr)
Program Fees	324,980	13%	426,150	15%	101,170	31.1%
Facility Fees	69,350	3%	84,750	3%	15,400	22.2%
Property Taxes	773,676	31%	733,794	26%	(39,882)	-5.2%
Open Space Fees	141,000	6%	160,350	6%	19,350	13.7%
Contributions & Other Program	1,500	0%	1,500	0.1%	-	0.0%
Other Revenue	33,569	1%	44,275	2%	10,706	31.9%
Quimby Fees/ Grants/Loans	1,134,000	45%	1,310,000	46%	176,000	15.5%
Interest Revenue	40,000	1.6%	75,000	2.6%	35,000	87.5%
Total Revenues	2,518,075	100%	2,835,819	100%	317,744	12.6%
Expenditures						
Salaries & Benefits - Programs	457,325	17%	434,740	16%	(22,585)	-4.9%
Salaries & Benefits- Maintenance	212,364	8%	210,207	8%	(2,157)	-1.0%
Salaries & Benefits- Admin	438,481	17%	462,492	17%	24,011	5.5%
Other Expenditures - Programs	19,625	1%	26,225	1%	6,600	33.6%
Other Expenditures - Maint.	171,500	7%	88,100	3.3%	(83,400)	-48.6%
Other Expenditures - Admin	150,300	6%	177,150	6.5%	26,850	17.9%
Board Travel Expenditures	1,200	0.0%	1,500	0.1%	300	25.0%
CalPERS UAL	10,000	0%	10,000	0.4%	-	0.0%
Capital Expenditures & Interest	1,163,000	44%	1,300,000	48%	137,000	11.8%
Total Expenditures	2,623,795	100%	2,710,414	100%	86,619	3.3%
Excess (Deficit)	(105,720)		125,405			



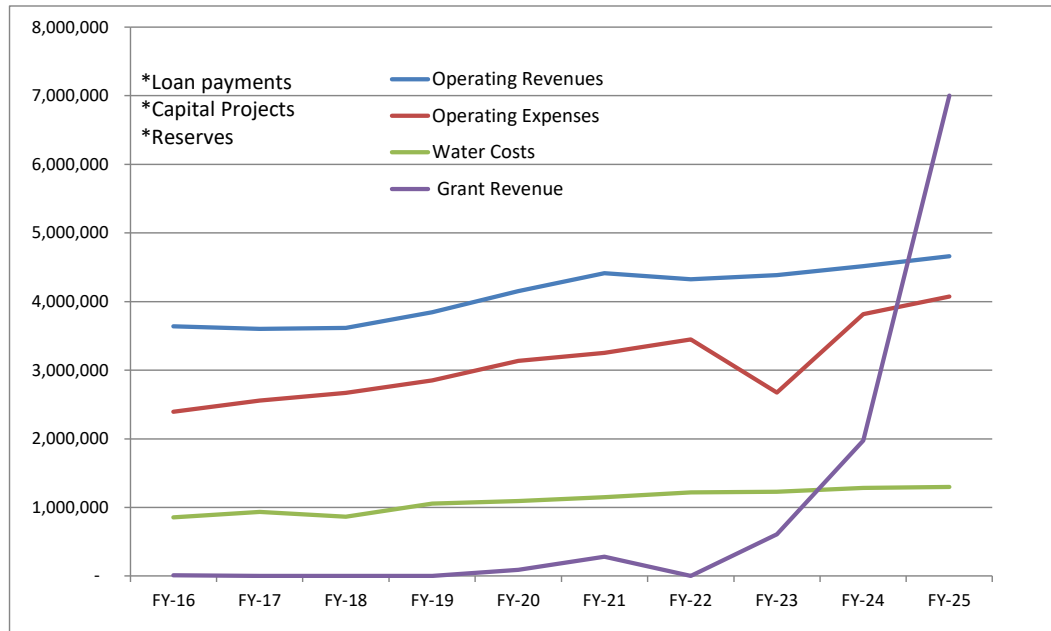
McKinleyville Community Services District
Measure B Fund Operating Budget
FY 2024-25

Description	Measure B Fund Approved Budget FY23-24		Measure B Fund Approved Budget FY24-25		Difference (Memorandum Only)	
						Incr(decr)
Revenues						
Measure B Assessment	224,000	96%	701,659	100%	477,659	3%
Grants/Contributions		0%	-	-	-	-
Other Revenue		0%	-	0%	-	0%
Proceeds from Debt	-	-	-	0%	-	0%
Quimby Fees/ ReservesDraw	-	0%	-	0%	-	0%
Interest Revenue	8,200	3.5%	3,000	0.4%	(5,200)	-3%
Total Revenues	232,200	100%	704,659	100%	472,459	67%
Expenditures						
Salaries & Benefits- Maintenance	78,368	34%	172,569	28%	94,201	120%
Other Expenditures - Maint.	26,450	11%	150,750	24%	124,300	470%
Meas.B Debt Svc Principal	102,304	44%	105,968	17%	3,664	4%
Capital Expenditures & Interest	25,149	11%	189,485	31%	164,336	653%
Total Expenditures	232,271	100%	618,772	100%	386,501	166%
Excess (Deficit)	(71)		85,887		85,958	



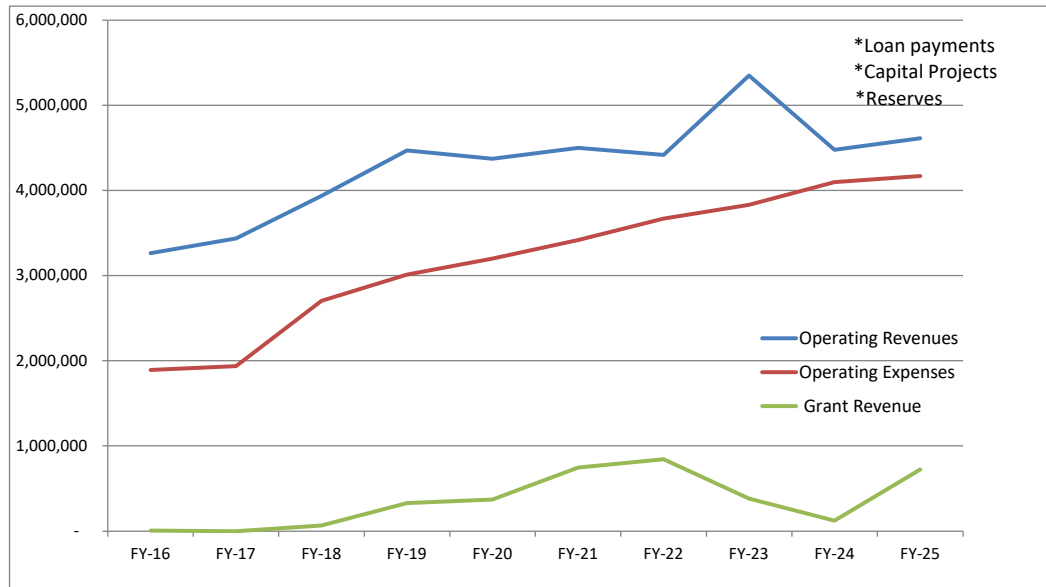
McKinleyville Community Services District
Water Enterprise Fund
Historical Analysis
Fiscal Years Ended (Ending) June 30, 2016-2025

	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Estimate	2025 Budget
Operating Revenues										
Water Sales	2,971,172	3,307,872	3,201,667	3,333,250	3,689,722	4,038,710	3,901,039	4,037,782	4,283,386	4,350,000
Other Water Revenues	665,829	293,149	416,418	512,887	462,716	373,750	422,106	348,407	231,190	306,950
Total Operating Revenues	3,637,001	3,601,020	3,618,085	3,846,137	4,152,438	4,412,460	4,323,145	4,386,189	4,514,576	4,656,950
Operating Expenses										
Salaries & Benefits	901,568	961,086	873,905	793,755	884,086	940,282	902,593	1,405,464	1,296,765	1,422,161
Water Cost	855,642	933,907	867,122	1,056,472	1,094,722	1,147,401	1,218,070	1,230,774	1,286,128	1,295,000
Other Expenses	290,102	314,758	562,998	610,340	700,340	754,257	935,278	(382,031)	834,004	952,985
Depreciation	344,400	346,630	363,985	389,295	455,902	411,197	391,802	418,842	400,000	400,000
Total Operating Expenses	2,391,712	2,556,381	2,668,010	2,849,862	3,135,050	3,253,138	3,447,743	2,673,049	3,816,897	4,070,146
Net Operating Income (Loss)	1,245,289	1,044,639	950,075	996,275	1,017,387	1,159,322	875,403	1,713,140	697,679	586,804
Interest Income	19,797	31,579	41,491	79,233	85,414	48,234	47,357	221,549	226,917	150,000
Interest Expense	(72,104)	(68,446)	(64,890)	(61,108)	(57,336)	(53,320)	(143,315)	(201,918)	(215,801)	(200,724)
Grant Revenue	11,904	-	-	-	89,989	280,400	-	610,423	1,975,259	7,000,000
Net Income (Loss)	1,204,887	1,007,773	926,676	1,014,399	1,135,454	1,434,636	779,445	2,343,194	2,684,054	7,536,080



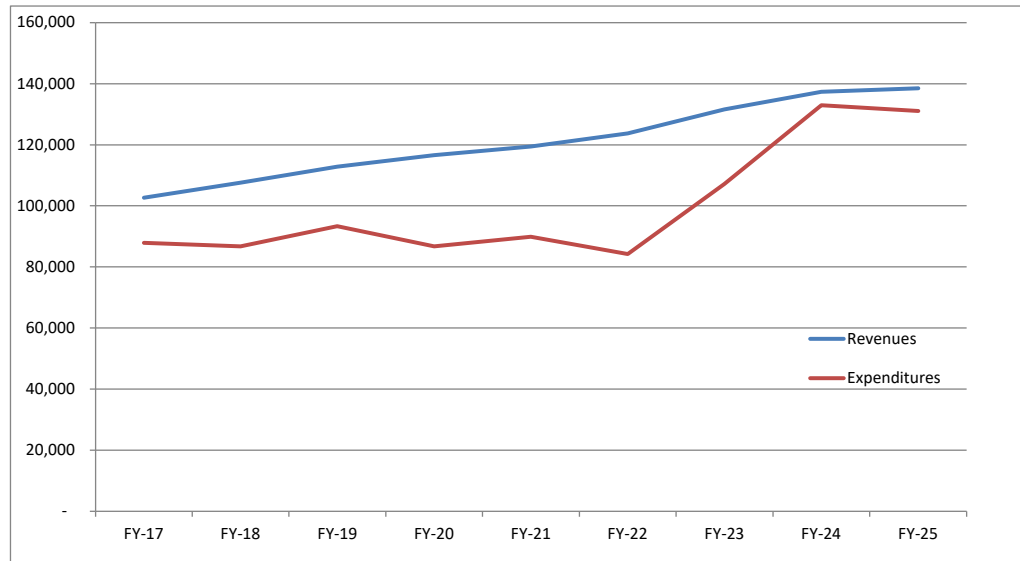
McKinleyville Community Services District
Wastewater Enterprise Fund
Historical Analysis
Fiscal Years Ended (Ending) June 30, 2016-2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimate	Budget
Operating Revenues										
Wastewater Service Charges	2,519,832	3,062,739	3,333,752	3,705,348	3,716,614	3,969,885	4,027,668	4,073,751	4,243,801	4,200,000
Other Wastewater Revenues	746,130	373,867	601,896	765,040	654,816	528,535	389,079	1,277,441	231,403	411,442
Total Operating Revenues	3,265,963	3,436,606	3,935,647	4,470,388	4,371,430	4,498,420	4,416,747	5,351,192	4,475,204	4,611,442
Operating Expenses										
Salaries & Benefits	966,967	990,442	1,040,516	991,199	1,040,090	1,172,658	1,154,077	1,674,910	1,576,757	1,468,060
Other Expenses	462,582	492,402	832,570	817,800	946,210	968,170	1,073,865	627,359	1,022,061	1,201,585
Depreciation	464,200	453,677	829,508	1,201,128	1,211,865	1,276,998	1,439,445	1,528,860	1,500,000	1,500,000
Total Operating Expenses	1,893,749	1,936,521	2,702,594	3,010,126	3,198,164	3,417,826	3,667,387	3,831,129	4,098,818	4,169,645
Net Operating Income (Loss)	1,372,214	1,500,086	1,233,053	1,460,262	1,173,266	1,080,594	749,360	1,520,063	376,386	441,797
Interest Income	21,382	30,154	48,208	120,116	135,107	85,047	68,616	260,265	299,876	120,000
Interest Expense	(27,900)	(23,803)	(198,112)	(225,072)	(313,825)	(225,790)	(317,477)	(320,960)	(406,318)	(255,851)
Grant Revenue	4,333	-	66,089	330,901	369,882	747,878	843,893	381,338	121,411	725,000
Net Income (Loss)	1,370,029	1,506,436	1,149,238	1,686,207	1,364,431	1,687,729	1,344,392	1,840,706	391,355	1,030,946



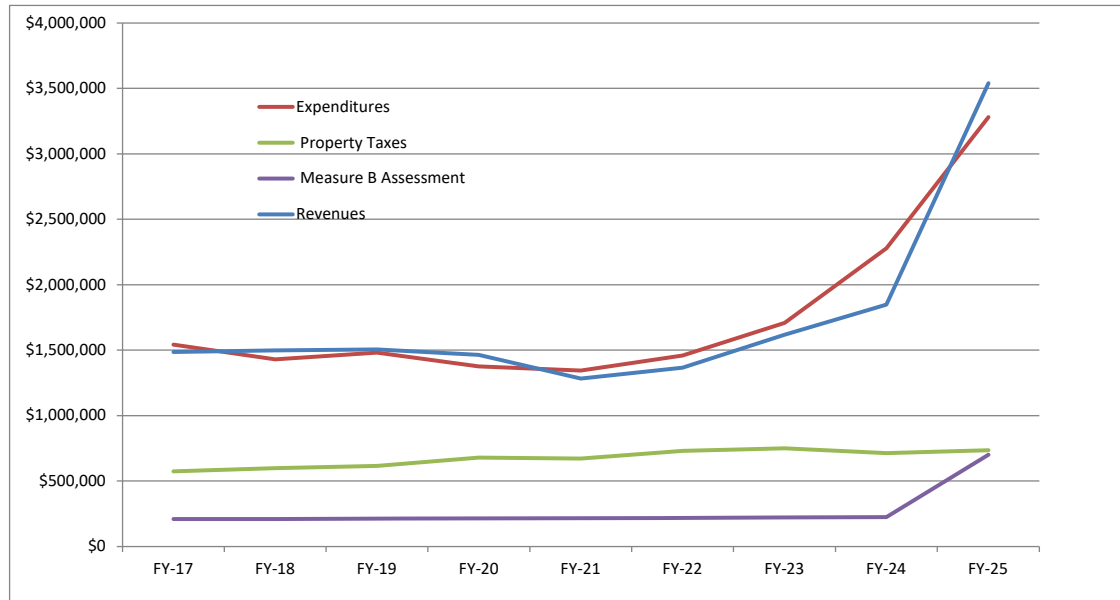
McKinleyville Community Services District
Streetlight Fund
Historical Analysis
Fiscal Years Ended (Ending) June 30, 2016-2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimate	Budget	Budget
Revenues	93,109	102,744	107,557	112,870	116,620	119,403	123,692	131,606	137,315	138,600
Expenditures										
Salaries & Benefits	40,767	37,296	36,852	38,155	39,693	51,443	39,805	61,238	53,590	64,381
Other Expenditures	29,261	30,719	30,022	35,272	37,198	38,409	40,226	44,828	55,287	61,695
Debt Service	19,865	19,865	19,865	19,865	9,863	-	-	-	-	-
Capital Expenditures	-	-	-	-	-	-	4,273	1,150	24,139	5,000
Total Expenditures	89,893	87,880	86,739	93,293	86,753	89,853	84,304	107,216	133,016	131,076
Excess (Deficit)	3,216	14,864	20,817	19,578	29,868	29,551	39,388	24,390	4,299	7,524



McKinleyville Community Services District
Parks & Recreation, Measure B Assessment, & General Fund
Historical Analysis
Fiscal Years Ended (Ending) June 30, 2014-2024

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimate	Budget
Combined Revenues										
Programs	360,399	384,959	374,327	285,629	198,879	153,616	219,800	310,220	289,002	405,500
Rentals	85,536	89,029	96,868	87,948	69,903	11,947	64,170	81,722	65,715	84,750
Property Taxes	547,214	574,220	598,430	615,380	677,798	671,671	729,263	751,141	712,575	733,794
Measure B Assessment	204,177	208,775	209,573	210,254	212,622	217,031	216,405	221,304	224,000	701,659
State Bonds & Grants	48,876	-	-	7,215	10,128	1,920	5,000	33,633	144,664	1,300,000
Other Revenue	296,868	212,637	198,827	244,785	243,124	191,965	87,634	177,707	210,785	239,775
Interest Revenue	19,661	16,287	18,799	53,839	51,911	35,578	44,339	41,849	201,491	75,000
Total Revenues	1,562,731	1,485,907	1,496,824	1,505,049	1,464,365	1,283,728	1,366,611	1,617,576	1,848,232	3,540,478
Combined Expenditures										
Salaries & Benefits	859,611	920,016	975,993	1,017,783	961,057	914,368	1,028,720	1,192,785	1,305,109	1,257,291
Other Expenditures	2,401,700	458,267	323,053	308,048	288,697	276,857	298,469	356,711	551,814	619,129
Debt Service	79,968	82,831	84,288	85,798	88,872	92,054	95,351	93,674	98,767	105,968
Capital Expenditures	158,519	80,568	45,473	69,128	36,025	61,264	37,368	65,634	323,154	1,300,000
Total Expenditures	3,499,798	1,541,682	1,428,807	1,480,757	1,374,652	1,344,542	1,459,908	1,708,804	2,278,844	3,282,388
Combined Excess (Deficit)	(1,937,067)	(55,775)	68,017	24,292	89,714	(60,815)	(93,298)	(91,228)	(430,612)	258,090



McKinleyville Community Services District
Enterprise Funds Capital Improvement Project Budget For the
Fiscal Years Ending June 30, 2025 - 2034

(All numbers in \$000s)

	1	2	3	4	5	6	7	8	9	10	11
	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032	June 30, 2033	June 30, 2034	June 30, 2035
Heavy Equipment											
Hydrocleaner (Sewer Fund) and appurtenances					500						
Backhoe/ Bobcat and Attachments	100	20		140					150		
Excavator			325								
Dump Truck					85						90
Tractor and Attachments	23	50	10					50			
Air Compressor and appurtenances	22							20			
Portable Emergency Generators	85										
Totals:	230	70	335	140	585	0	0	70	150	0	90

Utility Vehicles											
3/4 or 1-Ton Pickup	160	160	85	0	0	85	85	85			85
CCTV Trailer								30			
Car									40		
Light Duty Utility Truck				120	60						
Totals:	160	160	85	120	60	85	85	115	40	0	85

Water System											
4.5m New Tank Property procurement, design & construction	9,000										
Property Purchase/Improvements											
Water Tank Painting	750							750		800	
Water Tank Cathodic	25					25					25
Ramey Pump Station Upgrades				36	56	150					
Emergency Water Supply: Mad River Crossing	250	1,000	2,000	1,000							
Digital Control & Radio Telemetry Upgrade						100					
Meter Reader Upgrade	8			9				10			
McCluski Tank 3 Replacement	200	2,000	2,000								8
McCluski Pipeline Assessment and Replace		30	100								
Norton Tank Tree svc											

**McKinleyville Community Services District
Enterprise Funds Capital Improvement Project Budget For the
Fiscal Years Ending June 30, 2025 - 2034**

(All numbers in \$000s)

	1	2	3	4	5	6	7	8	9	10	11
	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032	June 30, 2033	June 30, 2034	June 30, 2035
Alternative Energy Masterplan											
Tank Seismic Actuators						20					
Fire Hydrant System Upgrade	7	7	7								
Water Main Rehabilitation and Replacement	1,800	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Customer Radio Meter Testing/Replacements						90	20	70	131	260	
Blake Station Upgrades											
Totals:	12,040	4,037	5,107	2,045	1,056	1,385	1,020	1,830	1,131	2,060	1,033

Sewer System											
	1	2	3	4	5	6	7	8	9	10	11
WWMF Engr Study (Disinfection Upgrade Proj)	70	150	70					80			
WWMF NPDES Permitting	25				6,000		2,000	300			
WWMF Fencing and Gate	10	10	10			10	10	10	10	10	
WWMF SO2/Chlorine Injector Controllers									20		
WWMF Sludge Disposal & handling	200	200	240	240	240	240	240	240	240	240	240
Customer Radio Meter Testing/Replacements						90	20	70	131	260	
Collection System Upgrades-Hwy Undercrossings	100	1,000	6,000								
Sewer Main Rehabilitation and Replacement	1,500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Sewer Lift Stn. Pump & Generator Replacements	60	40	40	40	40	40	40	40	40	40	40
Sewer Lift Station Upgrades-B Street			550								
Digital Control & Radio Telemetry Upgrade						100					
Electric Vehicle Charging Stations			100								
Fischer Lift Station Upgrades	250	500	1,000								
Sewer Main Camera Unit	30				50						
Underground Pipe Locator & Camera		5			5			5			5

**McKinleyville Community Services District
Enterprise Funds Capital Improvement Project Budget For the
Fiscal Years Ending June 30, 2025 - 2034**

(All numbers in \$000s)

	1	2	3	4	5	6	7	8	9	10	11
	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032	June 30, 2033	June 30, 2034	June 30, 2035
SCBA Apparatus and Bottles	6		6								
WWMF Solar Microgrid, Design/Build, O&M	250										
WWMF Recirculation Valve Replacement											
WWMF Pond Armouring	80	80									
WWMF Pumps & Motors	16	16	16	16							
Totals:	2,597	3,001	9,032	1,296	7,335	1,480	3,310	1,745	1,441	1,550	1,285

Office, Corporation Yard & Shops

Facility Upgrades and Sealcoat	10	10				10		10			
Office Building	100	1,500	1,500								
Property Purchase	450										
Major Building Repairs (emergency repairs)	20	20	20	14							
Totals:	580	1,530	1,520	14	0	10	0	10	0	0	0

Computers, Software & Equipment

Printers, File Server upgrades	10	12	12	12	12	12	12	12	12	12	12
MOM Upgrade and Replacement - ERP eval		200	35								
Office Equipment	5	5	5	5	5	5	5	5	5	5	5
GIS/SEMS/CADD Equipment and Software	8	5			5			5			5
Totals:	23	222	52	17	22	17	17	22	17	17	22

**McKinleyville Community Services District
Enterprise Funds Capital Improvement Project Budget For the
Fiscal Years Ending June 30, 2025 - 2034**

(All numbers in \$000s)

	1	2	3	4	5	6	7	8	9	10	11
	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032	June 30, 2033	June 30, 2034	June 30, 2035
Reclamation (Fischer & Pialorsi Ranches)											
Barn, Fence, House Upgrades	15	15	15	15	15	15	15	15	15	5	5
Irrigation Pipe and Fittings	10			10						10	
Reclamation Site Upgrade/Perc Pond Habitat Proj	100										
Underground Valving and Piping	20	20			12						
Totals:	145	35	15	25	27	15	15	15	15	15	5

Small Equipment & Other											
Misc./ Emergency Equipment Replacement	20	20	20	20	20	20	20	20	20	20	20
GPS Surveying Equipment		20							20		
Office Emergency Generator			22								
Totals:	20	40	42	20	20	20	20	20	40	20	20

Total Planned Expenditures	15,795	9,095	16,188	3,677	9,105	3,012	4,467	3,827	2,834	3,662	2,540
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Departmental Allocations:											
Water Fund	12,547	5,048	6,124	2,201	1,150	1,451	1,081	1,949	1,310	2,079	1,142
Wastewater Fund	3,249	4,047	10,064	1,477	7,956	1,561	3,386	1,879	1,580	1,584	1,399
Total	15,795	9,095	16,188	3,677	9,105	3,012	4,467	3,827	2,889	3,662	2,540

Internal Funds/Reserves/Debt - District Share	8,445	6,095	14,688	3,677	9,105	3,012	4,467	3,827	2,889	3,662	2,540
Potential Grant Funding Expected	7,350	3,000	1500								

McKinleyville Community Services District
General Fund (Parks & Recreation) Capital Improvement Project Budget
For the Fiscal Years Ending June 30, 2025 - 2034

(All numbers in \$000s)

1 2 3 4 5 6 7 8 9 10

	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032	June 30, 2033	June 30, 2034
1. Hiller Park & Sports Complex Projects										
Park landscaping & signage		5	5	5						
Playground Structure Replacement		65	25							
Concessions/RR Interior					9					
Roof Replacement-Concessions/RR				15						
Concessions/RR Exterior			10							
Roof Replacement-Hiller Park west RR	10				10					
Restroom Upgrade-Hiller Park West	30									
Parking Lot				12						
Totals:	40	70	40	32	19	0	0	0	0	0
2. Pierson Park Projects										
Playground Structure Replacement		12		75						
Park Restrooms/Garage	100					15				
Gazebo Rehabilitation/Replacement	7	5			6					
Pavilion Rehabilitation/Replacement			11							
Landscaping	5	10		8						
Totals:	112	27	11	83	6	15	0	0	0	0
3. Azalea Hall Projects										
Major Appliance Replacement	8	10	10	12	12	14				
Replace flooring			5							
Roof replacement						40				
Exterior Repairs/Replacement		50				80				
Parking lot resurfacing		16								
Wall/Window Covering replacement			10	10	10					

McKinleyville Community Services District
General Fund (Parks & Recreation) Capital Improvement Project Budget
For the Fiscal Years Ending June 30, 2025 - 2034

(All numbers in \$000s)

1 2 3 4 5 6 7 8 9 10

	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032	June 30, 2033	June 30, 2034
Kitchen equipment replacement								6		
Replace tables & chairs	11				15					
P/A system and audio-visual						6				
Totals:	19	76	25	22	37	140	0	6	0	0

4. McKinleyville Activity Center Projects

Landscaping & signage		5		5		5				
Flooring replacement				85						
Gymnasium Walls	25									
Roof replacement						100				
Siding repair/replacement			70							
Equipment rehabilitation/replacement		10								
Parking lot resurfacing		16								
Bleacher replacement			8							
Major Appliance replacement		32								
Interior fixtures			10							
Totals:	25	63	88	90	0	105	0	0	0	0

5. Other Park Projects & Equipment

Mower & landscaping equipment	16	26					18			
Light duty utility truck/van/car/EV	11	11		12		12		80		18
Floor Scrubber			15							
Totals:	27	37	15	12	0	12	18	80	0	18

**McKinleyville Community Services District
 General Fund (Parks & Recreation) Capital Improvement Project Budget
 For the Fiscal Years Ending June 30, 2025 - 2034**

(All numbers in \$000s)

	1	2	3	4	5	6	7	8	9	10
	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032	June 30, 2033	June 30, 2034
6. Law Enforcement Facility Projects										
Flooring			19							
Furnace replacement			6							
Roof replacement									35	
Siding replacement				21						
LEF/Library Parking sealing/paving/fencing		10	5							
Totals:	0	10	11	21	0	0	0	0	35	0
7. McKinleyville Library Projects										
Flooring replacement	25	16								
Furnace replacement	8	8	8	8	8	8				
Fire Suppression system		20								
Roof & Siding replacement			21							
ADA compliance	30									
Totals:	63	44	29	8	8	8	0	0	0	0
8. Teen & Community Center										
Flooring		14					40			
Interior rehabilitation/replacment		6								
Kitchen Equipment & Appliances		8	8	8	8	8	8	8	8	8
Roof & Siding replacement										
Equipment rehabilitation/replacement		10								
Parking lot resurfacing/Exterior Rehab	5									
Furnace & Water Heater				5						
Tables & chairs			10							
Totals:	5	38	18	13	8	8	48	8	8	8

McKinleyville Community Services District
 General Fund (Parks & Recreation) Capital Improvement Project Budget
 For the Fiscal Years Ending June 30, 2025 - 2034

(All numbers in \$000s)

1 2 3 4 5 6 7 8 9 10

	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032	June 30, 2033	June 30, 2034
9. Projects Contingent Upon Grant Funding										
Playstructure replacement-Larissa Park			10							
Community Forest	80	30	50	40						
Hewitt Ranch Parking & Amenities Dev.					120					
Totals:	80	30	60	40	0	0	0	0	0	0

10. Projects Funded by Quimby & Other Funds										
Hiller Sports Site - fence										
Pole Barn			25							
Skate park										
Hewitt Ranch improvements										
BMX Track and Park Project	1,300									
Granite (Mad River) Property										
Skate Park/ Washington property proj Totals:	1,300	0	25	0	0	0	0	0	0	0

Total Planned Capital Expenditures	1,671	395	322	321	78	288	66	94	43	26
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Grant-Funded Capital Projects	1,300
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McKinleyville Community Services District
 Streetlights Fund Capital Improvement Project Budget
 For the Fiscal Years Ending June 30, 2025 - 2034

(All numbers in \$000s)

	1	2	3	4	5	6	7	8	9	10
	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032	June 30, 2033	June 30, 2034
1. Heavy Equipment										
Lift		90								
Totals:	0	90	0	0	0	0	0	0	0	0
2. Poles and Lights										
Inspection										65
Pole Replacement	5	5	5	5	5	5	5	5	5	5
LED Replacements							10			
Totals:	5	5	5	5	5	5	15	5	5	70
Total Planned Expenditures	5	95	5	5	5	5	15	5	5	70

**Capital Improvement Plan
Water, Sewer and Streetlights Funds
Fiscal Year 2024-25**

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 of the District's Utility truck and Flatbed 1 ton truck. In 2027 the District will begin replacing the truck fleets with Electric trucks, as long as the trucks that are needed are being produced. If not in production, the District will file an exemption until a manufacturer can produce a truck that can replace the ¾ ton Utility trucks. The District will also purchase a new 3-foot tractor mounted roller for paving trenches and possibly a bobcat.

Water System

The District will embark on several water projects in FY2024-25. The largest Water project for FY2024-25 is the construction phase of the 4.5 million gallon new storage tank. In FY2022-2023 the District purchased the property where the tank will be built. In FY2023-24 approximately 25% of the construction funds were used. In FY2024-25 the remaining 75% of construction will be funded (Approximately 9 million). Of the entire project, 75% of the project will be grant funded. The District has issued Certificates of Participation (COPs), a debt instrument, to fund the balance of the project.

Another large project that is grant funded and may begin in FY2024-25 is the Mad River Crossing Emergency Water Supply. This is a multi-year \$4.2 million project that will provide a redundant water main under the Mad River. In FY2024-25 \$250,000 has been budgeted for design and planning, of that 75% will be granted funded. The District has also been awarded grant funding for construction and design for the replacement of McCluski Tanks, this project will span FY2025-26 and conclude in FY2026-27. 75% of this project will also be grant funded (\$4.5 million).

\$750,000 is budgeted for a recoating project. Each tank recoating cycle is approximately 20 to 30 years for preventative maintenance to avoid corrosion and

maintain structural integrity. Other projects currently for the Water Fund include \$25,000 for the replacement of the water tank cathodic protection system and \$8,000 to upgrade the computer used for reading meters. 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.

\$1,800,000 is scheduled for the ongoing Water Main Rehabilitation/ Replacement Project. \$1 million will continue to be set-aside from rates to build up reserves, per the last Board approved Rate Study and is debt-funded (COPs). There likely will not be a major water main upgrade project this fiscal year, however, District staff will work on planning the next upgrade.

Wastewater System

The \$240,000 set aside annually to pay for the next bio-solids project has been reduced to \$200,000 annually, as the cost of the bio-solids removal in FY21-22 was lower than expected. These should occur on a four-to-six year cycle. \$25,000 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. \$70,000 is allocated for an engineering study on the upgrade of the WWMF's disinfection system. \$1,500,000 is budgeted for the Wastewater Mainline Rehabilitation/ Replacement Project. As with the Water side of this project, \$1 million will continue to be set-aside from rates to build up reserves, as approved by the Board in the 2018 rate study. \$250,000 has been pushed to the current fiscal year to close the Micro-Grid project, as this project hasn't been able to close out due to PG&E's schedule.

The Undercrossing project budget portion for the current fiscal year is \$100,000, with the remaining balance budgeted in FY2025-26 (\$1,049,000) and FY2026-27 (\$5,611,000). This project is still waiting for FEMA to complete their environmental review and authorize Phase 2 grant funding. The Fischer Lift Station Upgrade budget portion of \$250,000 for the current fiscal year is to cover engineering while the remaining balance (\$1.5 million) is to be used in FY25-26 and FY26-27. This project was awarded sooner than expected, therefore approximately \$60k will be spent prior to the new fiscal budget. Staff will either use the GL for the Mainline Replacement or the GL for the Lift Station Upgrades to cover these costs. The Fischer Lift Station Upgrade is another FEMA Hazard Mitigation Grant that will fund 75% of the \$250K. Other significant Wastewater projects include a set aside of \$60,000 for lift station pump and generator replacements along with a new ATS for Letz. This number may change once we find out that our grant funding was accepted, a sewer-main camera unit (\$30,000), and \$80,000 to armor the WWMF ponds.

The remaining projects are for smaller dollar amounts, \$6,000 for a self-contained breathing apparatus (SCBA) and \$16,000 for replacement of smaller pumps and motors. Funding for these smaller projects will come from pay-go funding according to the approved Reserves policy for the maintenance and replacement of capital infrastructure.

Office, Corporation Yard, Computers and Software

\$100,000 has been budgeted to finish the architectural design of the District's operations and administrative office, with renovations to potentially be completed in FY26/27 (\$3 million). \$450,000 has been budgeted for purchase of the property behind the District offices. We have discussed the purchase of this property with the property owner but nothing concrete at this time. \$20,000 has been set aside for major repairs to the existing offices, \$15,000 has been set aside for the regular upgrade and replacement of office equipment and printers, \$10,000 for miscellaneous facility upgrades and sealcoat and an additional \$8,000 has been added for AutoCAD software.

The District will also replace its existing accounting software with a new enterprise resource planning (ERP) system, \$200,000 has been budgeted in FY2025-26 and \$35,000 has been budgeted in FY2026-27 for software, installation and training.

Reclamation (Fischer & Pialorsi Ranch)

A total of \$45,000 is available for replacement and maintenance of underground valves and piping, irrigation pipes and fittings, improvements on the Pialorsi house and the Fischer house.

Small Equipment & Other

\$20,000 is budgeted to cover miscellaneous emergency equipment needed.

Streetlights

Replacement of any poles that may fail, is budgeted for \$5,000.

Note on Appendix A – 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.

**Capital Improvement Plan
Parks and General Fund
Fiscal Year 2024-25**

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 FY2023-24 and will continue in perpetuity until ended by voters.

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. One Park maintenance truck is scheduled to be replaced in fiscal year 2024-25 and one mower is scheduled to be replaced in fiscal year 2024-25 for which \$27,000 has been budgeted.

Facility Projects

\$11,000 has been budgeted to replace tables at Azalea Hall. The Activity Center walls are currently covered with 17-year-old carpet; \$25,000 has been budgeted to redo the walls in the Activity Center. The Library needs new carpet as well as some ADA compliance upgrades to the exterior for which \$63,000 has been budgeted in fiscal year 2024-25. \$8,000 has been allocated in the CIP for unforeseen appliance replacements if needed.

Parks and Trails Projects

In 2021, the District was awarded a \$2.3 Million grant to construct a BMX Track & Park. Design began in fiscal year 2022-2023 and construction is scheduled to be completed in fiscal year 2024-25, \$1.3 million has been budgeted for construction completion.

Pierson Park restrooms are also in need of ADA upgrades as well as replacement of the parks drinking fountain and picnic table replacements. \$112,000 has been budgeted for Pierson Park upgrades and replacements. Additionally, \$40,000 has been budgeted for roof replacement and upgrades at the Hiller Park restrooms.

In fiscal year 2023-24 the District acquired 599 acres of community forest property. \$80,000 has been budgeted for the design of the Murray Rd. access point to include parking and restroom facilities, as well as the purchase of a quad for security and maintenance.

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.

Note on 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.

Strategic Plan

2024-2029

McKinleyville Community
Services District

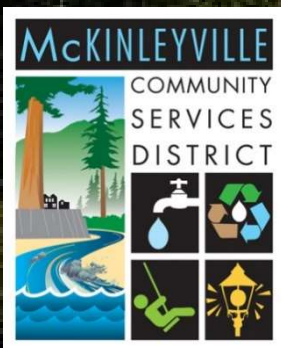


Table of Contents

Introduction 1

 Purpose 1

 History 1

 Services 1

Mission, Vision & Values 2

 Mission 2

 Vision 2

 Values 3

Goals & Objectives 4

Plan Review, Revisions & Reporting 9

APPENDIX A: Progress Reports A-1

Plan Revisions

Date	Description of Change

Introduction

Purpose

This Strategic Plan (Plan) exists to empower the McKinleyville Community Services District (District) to accomplish its mission by providing vision and specific objectives for the next five years.

The Plan was updated in July 2023-2024 by the District's Board of Directors and staff with the understanding that it is a living document that will be reviewed regularly and revised as needed to better serve the District and the McKinleyville community. The Plan was purposefully fashioned as a succinct, workable document so that it can be easily used to:

- Measure District success
- Generate focused work plans
- Adopt comprehensive, goal-oriented budgets
- Communicate District values and direction to the community

History

The McKinleyville Community Services District was created on April 7, 1970 when McKinleyville's voters voted 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.

Services

The District boundary encompasses 12,140 acres ranging from North Bank Road on the south to Patrick's Creek on the north and has over 5,841 active water services and 4,993 active sewer connections. The District is an independent, special district governed by a five member Board of Directors. The District provides the following services:

- Water
- Wastewater
- Street Lights
- Open Space
- Parks & Recreation
- Library Services

Mission, Vision & Values

Mission

McKinleyville Community Services District provides authorized services fundamental to the health and well-being of the community.

Vision

McKinleyville Community Services District is and will continue to be one of California's leading providers of municipal services.

The District has established the following visionary goals for the next five years:

- 1 The Parks & Recreation Department has effectively closed the gap between expenses and revenues and is operating with strategies that are sustainable over time.
- 2 The District's workforce recruitment strategies are attracting and retaining high quality employees at every level.
- 3 The District is prepared to manage both planned and unplanned shifts in the workforce through robust employee training and development strategies as well as on-going succession planning.
- 4 The District has completed all prioritized and funded capital projects as identified in the Strategic Capital Project Matrix (Exhibit A) through 2029 and has identified a long term financing plan for capital projects on the horizon.

Mission, Vision & Values

Values

The Board of Directors has collectively established the following core values to guide the work of the District:

INTEGRITY

- Truthful and transparent in word and action. Taking responsibility for outcomes of all actions; Meeting commitments and honoring promises; Honoring rights, dignity and worth of all community members.

RESPONSIBILITY

- Decision making in service for the greatest good of the McKinleyville CSD. Committed to accepting the ownership of decisions and all results.

FAMILY

- Group/Unit that is not always chosen; yet connected by commonalities and shared experience with defined roles with caring and commitment to the organization.

COLLABORATIVE

- Interactive and participatory decision making that promotes inclusivity, mutual respect, accountability, and open communication.

Goals & Objectives

GOAL 1

The Parks & Recreation Department has effectively closed the gap between expenses and revenues and is operating with strategies that are sustainable over time.

ACTION DESCRIPTION	PARTY / DEPT RESPONSIBLE	BEGIN DATE	DUE DATE	RESOURCES REQUIRED (staff, tech, etc.)	FUNDING SOURCE	HAZARD FORECAST	DESIRED OUTCOME
Community Forest Mgmt Planning	P & R Dept/ Community Forest Committee	Jan 2024	Dec. 2026	Forestry consultants;	General Fund/Grants	Lack of funding available	Board adopted Forest Management Plan
Establish Community Forest Advisory Committee	P & R Dept / Community Forest Committee	Jan 2024	Jan 2025	Staff time	General Fund/Grants	Lack of community participation	Engaged and functional Advisory Committee as Defined in Rules and Regs
Update P&R Master Plan	P & R Director	Jan 2024	Dec 2024	Staff time	General Fund	Lack of staff time	Board adopted Park & Rec Master Plan

Goals & Objectives

GOAL 2

The District's workforce recruitment strategies are attracting and retaining high quality employees at every level.

**Success of this goal will be measured by tracking applicant data, employee retention data and collecting feedback from employees regarding training, workplace culture and wellness.*

ACTION DESCRIPTION	PARTY / DEPT RESPONSIBLE	BEGIN DATE	DUE DATE	RESOURCES REQUIRED (staff, tech, etc.)	FUNDING SOURCE	HAZARD FORECAST	DESIRED OUTCOME
Ensure pay scale and benefits are competitive and attractive for all positions	Finance/GM	Jan 2024	Jul 2025	Current Salary Survey	Operating Budget	Unable to hire or retain employees. Budget doesn't support desired wage scale	Increase in qualified applicants; retain existing staff. Success measured through applicant data and employee retention data.
Develop/Update Recruitment materials and outreach strategies	HR	Mar 2024	On going	Staff time	Operating Budget	Qualified applicants don't apply for positions	Defined recruitment & outreach strategy
Develop/update staff development and training programs	Dept Heads/ Supervisors/ HR	Jan 2024	Dec 2028 (on going)	Staff time	Operating Budget	Employees leave positions due to lack of upward career pathways	A catalog of professional development options/opportunities exists. Training SOP's for critical tasks of each position exist.
Invest in workplace culture improvement and employee wellness activities	HR/ All Depts/ GM	Jan 2024	Dec 2028 (on going)	Staff time	Operating Budget	Unable to retain employees	Employees report being content and valued at work. Employees voluntarily participate in morale boosting activities
System of evaluation and assessment of effectiveness of employee wellness activities implemented	HR/Dept Heads	Jan 2024	Dec 2024	Staff time	Operating Budget	Unable to retain employees	Employees provide feedback on workplace culture and morale regularly

Goals & Objectives

GOAL 3

The District is prepared to manage both planned and unplanned shifts in the workforce through robust employee training and development strategies as well as on-going succession planning.

**The success of this goal will be determined by the existence of a functional succession plan for each position; having a primary and back up trained for each critical task; and staff that are actively participating in available training and development opportunities.*

ACTION DESCRIPTION	PARTY / DEPT RESPONSIBLE	BEGIN DATE	DUE DATE	RESOURCES REQUIRED (staff, tech, etc.)	FUNDING SOURCE	HAZARD FORECAST	DESIRED OUTCOME
Update Succession Plan	All Depts / HR / GM	Jan 2024	Dec 2028	Staff time	Operating Budget	Employee leaves before replacement is trained	Employees are exposed to roles and responsibilities of supervisory and leadership positions. A Succession Plan that is viable and accurate is documented
Cross train critical tasks and responsibilities	All Depts	Jan 2024	Dec 2028 (ongoing)	Staff time	Operating Budget	Employee leaves before replacement is trained	All positions have a primary responsible person and a back up person for every critical function.
Develop/update staff development and training programs	HR / Dept. Heads	May 2024	Dec 2028 (ongoing)	Staff time/ outside trainings	Operating Budget	Staff opt to not participate in on-going professional development	Functioning Staff Development and Training program Training and development programs that support upward mobility of employees are in place

Goals & Objectives

GOAL 4

The District has completed all prioritized and funded capital projects as identified in the **Strategic Capital Project Matrix** through 2029 and has identified a long term financing plan for capital projects on the horizon. Plan is presented to Board of Directors annually.

In order to continue being one of California’s leading providers of municipal services the District is committed to investing in it’s existing infrastructure through careful and thoughtful analysis and planning. The Strategic Capital Project Matrix reflects the District’s plan for infrastructure maintenance and improvement over time.

Strategic Capital Project List

Year	Water	Sewer	Parks & Rec	Finance & Admin
2023	<ul style="list-style-type: none"> - 4.5MG Tank Construct (HMG/NCRP/Bond funding) - Central Ave Main construct (Bond funding) - Hewitt Tank Design (HMG funding) 	<ul style="list-style-type: none"> - Finish Microgrid (SRF grant/loan) - Central Ave Sewer rehab (Bond funding) - Armor Pond 3 (Operating funds) - Bella Vista Sewer main rehab (Operating funds) 	<ul style="list-style-type: none"> - Finish BMX design (Prop. 68 grant) - Measure B ballot (Operating funds) - Phase 1 of Skatepark constructed (Humboldt Skatepark Collective funded) - Water heater replacements in all facilities 	<ul style="list-style-type: none"> - Office Remodel Design (Operating funds, future SRF Planning grant)
2024	<ul style="list-style-type: none"> - 4.5MG Tank Construct - Mad River Crossing Design (HMG funding with Op match) - Hewitt Tank Design (HMG funding with Op match) - Lead survey due 10/16/2024 (Operating funds/SRF grant/loan) - Tank 2A paint (Operating funds) 	<ul style="list-style-type: none"> - New NPDES Permit (Operating funds) - Fischer/Letz design (SRF Planning grant) - B/Kelly design (SRF Planning grant) - Forcemain design (SRF Planning grant) - Highway sewer crossing design (HMG funding with Ops match) - Pialorsi irrigation design (Reclaimed Water grant/loan) - Fischer Trail design (grant funding dependent) - Sewer Mainline Rehab (Operating funds) 	<ul style="list-style-type: none"> - BMX Construction (Prop. 68 grant) - Acquire Community Forest (NRC grant) - Comm Forest Management Plan development (Operating funds) 	<ul style="list-style-type: none"> - Software RFP (Operating funds)
2025	<ul style="list-style-type: none"> - Hewitt Tank Construct (HMG funding with match via Bond/Loan) - Mad River crossing design (HMG funding with Op match) 	<ul style="list-style-type: none"> - Fischer/Letz design (SRF Planning grant) - B/Kelly design (SRF Planning grant) - Forcemain design (SRF Planning grant) - Highway sewer crossing design (HMG funding with Ops match) - Pialorsi irrigation construct (Reclaimed Water grant/loan) - Fischer trail construct (grant funding dependent) - Sewer Mainline Rehab (Operating funds) 	<ul style="list-style-type: none"> - Skate Park construct (grant funds or Humboldt Skatepark Collective funded) - Measure B increase realized? - Comm Forest Management Plan development (Operating funds) 	<ul style="list-style-type: none"> - Purchase new software (Operating funds)

Goals & Objectives

2026	<ul style="list-style-type: none"> - Hewitt Tank Construct (HMG funding with match via Bond/Loan) - Mad River crossing construct (HMG funding with match via Bond/Loan) 	<ul style="list-style-type: none"> - Fischer/Letz construct (SRF grant/loan) - B/Kelly construct (SRF grant/loan) - Forcemain construct (SRF grant/loan) - Highway sewer crossing construct (HMG funding with match via Bond/Loan) 	<ul style="list-style-type: none"> - Community Forest parking lots/trails (grant funding dependent) 	<ul style="list-style-type: none"> - Office Remodel construct (SRF grant/loan) -Water & Sewer Rate Study (Ops funds)
2027	<ul style="list-style-type: none"> - Mad River crossing construct (HMG funding with match via Bond/Loan) 	<ul style="list-style-type: none"> - Fischer/Letz construct (SRF grant/loan) - B/Kelly construct (SRF grant/loan) - Forcemain construct (SRF grant/loan) - Highway sewer crossing construct (HMG funding with match via Bond/Loan) - BSB dredging (Bond/Loan/Operating funds) 	<ul style="list-style-type: none"> - Community Forest parking lots/trails (grant funding dependent) 	<ul style="list-style-type: none"> - 50% of vehicle purchases zero emission (Loan/Operations funding) - New Water & Sewer Rates
2028	<ul style="list-style-type: none"> - Watermain replacement for Grace Park design (Bond/Loan) 	<ul style="list-style-type: none"> - Highway sewer crossing construct (HMG funding with match via Bond/Loan) - Alt disinfection study (Ops funding) - Sewermain replacement for Grace Park design (Bond/Loan) 		
2029	<ul style="list-style-type: none"> - Watermain replacement for Grace Park construct (Bond/Loan) 	<ul style="list-style-type: none"> - WWTP upgrade design (inc. disinfection) (Bond/Loan) - NPDES Permit update (Ops funding) - Sewermain replacement for Grace Park construct (Bond/Loan) 	<ul style="list-style-type: none"> - Hewitt Ranch develop (grant funding dependent) 	
2030	<ul style="list-style-type: none"> - Watermain replacement for Fernwood design (Bond/Loan) 	<ul style="list-style-type: none"> - WWTP upgrade design (Bond/Loan) - Sewermain replacement for Fernwood design (Ops funding) - Digital Controls upgrade design (Ops funding) 		

Plan Review, Revisions & Reporting

The District will review this Plan at least once annually to ensure that the Plan continues to be accurate and best serve the needs of the District. Plan revisions may be made at any time. All revisions must be approved by the Board of Directors. A record of revisions will be kept on the Table of Contents page.

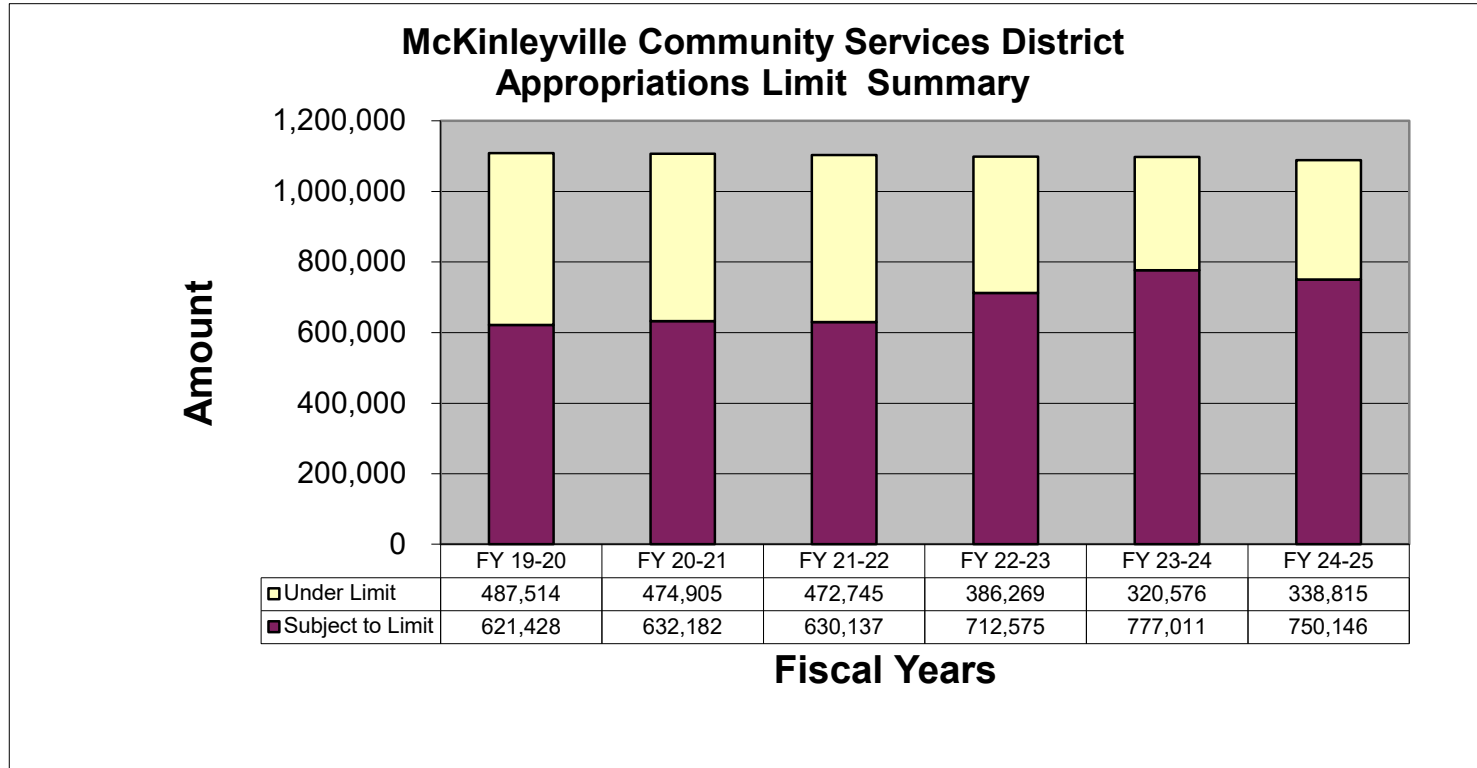
At the end of each fiscal year, the General Manager will prepare a brief report for the Board of Directors summarizing the progress that has been made toward attaining the District's goals and objectives. Reports will be included in the Appendix of this Plan.

McKinleyville Community Services District

Appropriations Limit Calculation Summary

FY 24-25 Budget

Prior Year Final Appropriation Limit		\$ 1,097,588
Allowed Compounded Percentage Increase from Prior Year ⁽¹⁾		
Non-Residential Assessed Valuation Percent Change	0.318%	
MCSD Unincorporated County Population Percent Change	-1.100%	
Compounded Percentage as an Adjustment Factor	-0.786%	
Annual Adjustment Amount to Appropriation Limit		(8,627)
Current Year Appropriation Limit		1,088,961
Current Year Adopted Budget Appropriations From Proceeds of Taxes ⁽²⁾		
Proceeds of Taxes From Adopted Budget ⁽³⁾	763,525	
Less Allowable Exclusion of Certain Appropriations ⁽³⁾	(13,379)	
		750,146
Current Year Appropriations Subject to Appropriation Limit		750,146
Current Year Appropriations Under the Appropriation Limit ⁽³⁾		\$ (338,815)
Percentage Under the Limit		-31%



(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	2,649,203	763,525	3,412,728
Street Lighting Fund	138,550	-	138,550
Water Fund	11,806,950	-	11,806,950
Wastewater Fund	5,456,092	-	5,456,092
Total Proceeds and Non Proceeds of Taxes	20,050,795	763,525	20,814,320

Summary of Exclusions	
Court Order Costs	-
Federal Mandates	13,379
Qualified Capital Equipment	-
Qualified Debt Service	-
Total Exclusions to Appropriations Subject to Limit	13,379

McKinleyville Community Services District
APPROPRIATIONS LIMIT CALCULATION
FY 24-25 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	376,400	376,400			
Miscellaneous Fees & Reimbursements	34,275	34,275			
Total General Fund	410,675	410,675	-	-	
Street Lighting Fund	138,550		138,550		
Water Operations Fund	11,806,950			11,806,950	
Wastewater Operations Fund	5,456,092				5,456,092
Total Estimate of User Fees	17,812,267	410,675	138,550	11,806,950	5,456,092
Current Year Adopted Budget					
Operations & Equipment	10,683,941	1,862,186	126,076	4,270,271	4,425,408
Allocations for Improvements	-				
User Fees (Under) or in Excess of Costs	7,128,326	(1,451,511)	12,474	7,536,679	1,030,684

McKinleyville Community Services District
APPROPRIATIONS LIMIT CALCULATION
FY 24-25 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	733,794				733,794	-	733,794
Special Assessment	701,659				701,659	701,659	-
Charges for Services	376,400				376,400	376,400	-
Grants	1,321,000				1,321,000	1,321,000	-
Development Fees	167,600				167,600	167,600	-
Interest (4)	78,000				78,000	48,269	-
Miscellaneous Fees & Reimbursements	34,275				34,275	34,275	29,731
Other Financing Sources					-	-	-
Other Sources					-	-	-
TOTAL GENERAL FUND REVENUES	3,412,728	0	0	0	3,412,728	2,649,203	763,525
Street Lighting Fund	138,550	(7,524)				138,550	
Water Fund	11,806,950	(7,536,836)				11,806,950	
Wastewater Fund	5,456,092	(1,030,948)				5,456,092	
Debt Service Fund	-					-	
Total All Funds	20,814,320	(8,575,308)	-	-	3,412,728	20,050,795	763,525

(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 24-25 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	5,500	5,500		Reimbursement for Services
42020	PROC. FEES	1,500	1,500		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.	60	60		Miscellaneous Fees and Reimbursements
43197	LEASE REVENUE	17,075	17,075		Use of Property fees
44000	OPEN SPACE FEES	138,700	138,700		Development Fees
45000	OPEN SPACE FEES	18,900	18,900		Development Fees
47050	MSC PAYROLL REM	-	-		Miscellaneous Fees and Reimbursements
47999	EVENT RENTALS	35,250	35,250		User Fees for Services
48000	COMM. EVENTS	-	-		User Fees for Services
48001	VENDOR CONTRACT	44,500	44,500		User Fees for Services
48002	EVENT SERVICES	4,500	4,500		User Fees for Services
48010	INSURANCE FEES	-	-		User Fees for Services
48020	AD INCOME	500	500		User Fees for Services
48040	COMMISSIONS VND	-	-		User Fees for Services
48050	REC. PROGRAMS	290,500	290,500		User Fees for Services
48051	FRF DISCOUNT	(350)	(350)		User Fees for Services
48055	PROGRAM GRANTS	21,000	21,000		Related to Restricted Grants
48070	SALE OF SCRAP	-	-		Use of Property fees
50001	INT. REVENUE	78,000	48,269	29,731	Allocated
51001	SECURED TAXES	733,794		733,794	
51060	MEASURE B ASSMT	701,659	701,659		Special Assessment Restricted Specific Use
52000	OTHER INCOME	-	-		Miscellaneous Fees and Reimbursements
53001	CONTRIBUTIONS	1,500	1,500		Donations
53002	QUIMBY FEES	10,000	10,000		Development fees
54001	STATE GRANTS	1,300,000	1,300,000		Related to Restricted Grants
57000	GAIN ON DISPOSAL	10,000	10,000		Miscellaneous Fees and Reimbursements
Total General Fund		3,412,728	2,649,203	763,525	

Street Lighting

41050	ADMIN FEE	15,000	15,000		
42020	PROC. FEES	3,500	3,500		
43195	OTHER OP. REV.	-	-		
47001	ST. LIGHT CHGS	112,000	112,000		
47001	ST. LIGHT CHGS	8,000	8,000		
50001	INT. REVENUE	50	50		
Total Street Lighting		138,550	138,550	-	User Fees for Services

Water Fund

40000	WATER BASE CHG	1,800,000	1,800,000		
40001	MTR. WATER SALE	2,550,000	2,550,000		
41001	NEW SVC. FEES	25,000	25,000		
41002	INSTALLATION FEES	-	-		
41020	PL. CK. FEE DEP	-	-		
42001	PERMIT FEES	-	-		
42010	CONN. FEES	150,000	150,000		
42020	PROC. FEES	18,000	18,000		
42030	BAD CHECK FEES	500	500		
42040	RECONN. FEES	5,000	5,000		
42050	DCV INSPECTION	22,000	22,000		
43010	REC. BAD DEBTS	900	900		
43190	CELL TOWER REV.	18,000	18,000		
43195	OTHER OP. REV.	20,000	20,000		
43197	LEASE REVENUE	3,600	3,600		
43198	PAVING FEES	3,000	3,000		
43199	SERVICE UPGRADE	-	-		

**McKinleyville Community Services District
Revenue Estimates Detail
FY 24-25 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	-	-	-	
48060	EQUIP USAGE FEE	450	450	-	
48070	SALE OF SCRAP	-	-	-	
50001	INT. REVENUE	150,000	150,000	-	
50005	LATE CHARGES	12,500.00	12,500.00	-	
51011	CONTRIB CONST	25,000.00	25,000.00	-	
52000	OTHER INCOME	-	-	-	
54001-2	GRANTS	7,000,000.00	7,000,000.00	-	
56000	GAIN ON DISPOSAL	3,000.00	3,000.00	-	
57000	UNREALIZED GAIN/LC	-	-	-	
Total Water		11,806,950	11,806,950	0	User Fees for Services

Wastewater Fund

40002	SWR SVC CHGS.	4,200,000	4,200,000	-	
40010	STORM WATER FEE	-	-	-	
41001	NEW SVC. FEES	30,000	30,000	-	
41002	INSTALLATION FEES	-	-	-	
41020	PL. CK. FEE DEP	-	-	-	
41040	SWR CONST PRMT	2,000	2,000	-	
42001	INSPECTION FEES	-	-	-	
42010	CONN. FEES	200,000	200,000	-	
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.	18,000	18,000	-	
43195	OTHER OP. REV.	6,500	6,500	-	
43197	LEASE REVENUE	64,392	64,392	-	
43198	PAVING FEES	1,000	1,000	-	
46000	AFTER HRS CHGS	-	-	-	
48060	EQUIP USAGE FEE	-	-	-	
48070	SALE OF SCRAP	-	-	-	
50001	INT. REVENUE	120,000	120,000	-	
50005	LATE CHARGES	13,000	13,000	-	
51011	CONTRIB CONST	125,000	125,000	-	
52000	OTHER INCOME	-	-	-	
54001-2	GRANTS	725,000	725,000	-	
56000	GAIN ON DISPOSAL	-	-	-	
57000	UNREALIZED GAIN/LO:	(50,000)	(50,000)	-	
Total Wastewater		5,456,092	5,456,092	0	User Fees for Services

Debt Service

Total Debt Service		-	-	-	Debt Related
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Total All Funds		20,814,320	20,050,795	763,525	
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McKinleyville Community Services District
APPROPRIATIONS LIMIT CALCULATION
FY 24-25 Budget

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

	<u>Adopted Budget</u>
Total Appropriations From Proceeds of Taxes (From Worksheet # 2)	\$ 763,525
Less Allowed Exclusions (From Worksheet #7)	(13,379)
Current Year Appropriations Subject to Limit	<u>\$ 750,146</u>
Current Year Appropriations Limit (From Worksheet #6)	1,088,961
Current Year Appropriations Over or (Under) Limit	<u>\$ (338,815)</u>
Percentage Over or (Under) Limit	<u><u>-31%</u></u>

McKinleyville Community Services District

APPROPRIATIONS LIMIT CALCULATION

FY 24-25 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]	MCSD (Unincorporated County)	Humboldt County Total		
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	-0.50	99.83264%	1,107,086
FY 21-22	5.73	0.22	-0.6	-1.50	99.62020%	1,102,882
FY 22-23	7.55	0.03	-0.4	-0.30	99.63388%	1,098,844
FY 23-24	4.44	0.29	-0.4	-0.90	99.88570%	1,097,588
FY 24-25	3.62	0.32	-1.1	-1.10	99.21404%	1,088,961

[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 MCSD 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 24-25 Budget

Appropriations Limit Calculation (Worksheet #6 of Guidelines)
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Prior Year Appropriations Limit (From Worksheet #5)	\$ 1,097,588
Current Year Growth Factors (From Worksheet #5)	
Non-Residential Assessed Valuation Percent Change	0.32%
MCSD Unincorporated County Population Percent Change	-1.10%
Compounded Total Percentage Adjustment Factor	-0.786%
Current Year Annual Adjustment Amount	\$ (8,627)
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	\$ 1,088,961

McKinleyville Community Services District
APPROPRIATIONS LIMIT CALCULATION
FY 24-25 Budget

Exclusions to Appropriations Limit (Worksheet #7 of Guidelines)
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	<u>Exclusions</u>
Court Orders	-
Federal Mandates	
Fair Labor Standards Act Payments	-
FICA and Medicare Payments	11,254
Unemployment Payments	2,125
Total Federal Mandates	13,379
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	13,379