



Mission Hills Community Services District

FINAL 2024/25 Fiscal Year Budget

Presented to the Board of Directors

May 15, 2024

Jorge Magana, President
Myron Heavin, Vice President
Steve Dietrich
Jim Keeling
Matt Starbuck

Proposed by:

Brad Hagemann
General Manager

**Mission Hills Community Services District
2024-25 Fiscal Year Budget**

Budget Summary

Final FY 2024/2025 Operating Budget

A	B	C	D	E	F	J
Mission Hills Community Services District						
Final Fiscal Year 2024-2025 Budget						
CONSOLIDATED TOTAL FOR ALL FUNDS						
	FYE 2023 ACTUAL	FYE 2024 ADOPTED BUDGET	FYE 2024 ANNUAL PROJECTION	FYE 2025 PROPOSED	Comments on the Changes	
6	Total Operating Revenue	\$ 2,317,706	\$ 2,589,624	\$ 2,598,927	\$ 2,762,607	Anticipates \$164,000 Increase in Operating Revenue
7	Revenue					
1	Late Fees/Charges	\$ 40,019	\$ 40,000	\$ 35,245	\$ 40,000	Historical Projection
2	Water Service	\$ 1,198,482	\$ 1,358,034	\$ 1,367,393	\$ 1,432,345	5.5% Water Rate Increase
3	Sewer Service	\$ 1,061,131	\$ 1,173,590	\$ 1,178,255	\$ 1,272,262	8.4% Sewer Rate Increase
4	Street Sweeping	\$ 18,073	\$ 18,000	\$ 18,034	\$ 18,000	Flat Projection
7	Operating Expenses					
7	Salaries & Wages	\$ 742,785	\$ 787,873	\$ 811,769	\$ 880,000	4 Ops staff, 3 Admin staff & Full Time GM
8	Employee Benefits & Payroll Taxes	\$ 236,920	\$ 285,000	\$ 250,607	\$ 265,000	Anticipates 5% Increase over FYE 24 Actuals
9	Director Fees	\$ 10,500	\$ 15,000	\$ 16,000	\$ 16,000	Historical Projection
10	Election Expense	\$ -	\$ -	\$ -	\$ 2,500	Anticipates Typical Election Year Expenses by Consolidating with County Elections
11	Vehicle Expense	\$ 40,762	\$ 30,000	\$ 34,916	\$ 37,000	Anticipates 5% Increase over FYE 24 Actuals
12	Insurance	\$ 11,875	\$ 40,000	\$ 29,616	\$ 33,000	Anticipates 10% Increase over FYE 24 Actuals
13	Memberships	\$ 31,491	\$ 40,000	\$ 43,683	\$ 44,000	Flat Projection
14	WMA GSA Allocation	\$ -	\$ -	\$ -	\$ 40,000	Anticipated Disrict share of WMA JPA Fees
15	Office Expenses	\$ 22,037	\$ 25,000	\$ 16,523	\$ 16,000	Flat Projection
16	Operating Supplies	\$ 33,184	\$ 20,000	\$ 22,683	\$ 23,000	Flat Projection
17	Chemicals	\$ 53,443	\$ 75,000	\$ 71,200	\$ 75,000	Anticipates 5% Increase in Chemical Costs
18	Safety	\$ 4,107	\$ 5,000	\$ 4,255	\$ 5,000	Flat Projection
19	Contractual Services	\$ 125,394	\$ 125,000	\$ 101,334	\$ 75,000	25% Decrease
20	Professional Services	\$ 143,303	\$ 70,000	\$ 90,113	\$ 90,000	Flat Projection
21	Equipment Lease	\$ 8,806	\$ 7,500	\$ 3,479	\$ 7,500	Flat Projection From FY 23/24 Budget
22	Printing & Publication	\$ 7,249	\$ 5,000	\$ 262	\$ 2,500	Anticipates 50% Decrease from FYE 24 Budget
23	Monitoring (Lab Samples)	\$ 15,783	\$ 25,000	\$ 15,674	\$ 16,000	Flat Projection from FYE 24 Actuals
24	Training/Meetings/Meals	\$ 25,453	\$ 20,000	\$ 3,184	\$ 15,000	Expectation of Training/Staff/Board Members
25	Utilities	\$ 174,349	\$ 225,000	\$ 212,526	\$ 265,000	Anticipates 15% Increase
26	Government Fees	\$ 37,846	\$ 100,000	\$ 31,122	\$ 45,000	Anticipates 25% Increase over FYE 24 Actuals
27	Repairs & Maintenance	\$ 119,915	\$ 80,000	\$ 298,005	\$ 150,000	Anticipates Lower Repair Costs than FYE 24
28	Ratepayer write offs	\$ -	\$ 25,000	\$ -	\$ -	
29	Total Operating Expenses	\$ 1,845,201	\$ 2,005,373	\$ 2,056,952	\$ 2,102,500	
30	Net Operating Gain/(Loss)	\$ 472,505	\$ 584,251	\$ 541,975	\$ 660,107	Net Gains Used to Fund Capital Improvement Program Projects
31	Non-Operating Revenues & Expenses					
32	Interest & Investments Income	\$ -	\$ -	\$ 134,658	\$ 150,000	Anticipates Higher Interest Revenue
33	Depreciation (Reserves)	\$ 338,276	\$ 372,648	\$ 267,847	\$ 270,000	Estimated Asset Depreciation (Cash to Reserve Sinking Funds)

**Mission Hills Community Services District
2024-25 Fiscal Year Budget**

FY 2022/23 Estimated Ending Fund Balances

And

Five Year Annual Fund Balance Projections

MISSION HILLS COMMUNITY SERVICES DISTRICT
Cash Account Balances
Estimated FY 2023/24 Ending Balances

General Checking Accounts -

Coast Hills		\$ 100,000
Five Star Operating		\$ 520,000
Estimated Ending Balance	06/30/24	<u>\$ 620,000</u>

Reserve & Restricted Account Balances

<u>LAIF</u>		\$ 325,000
<u>RNC</u>		\$ 710,000
<u>California Class</u>		\$ 2,060,000
<u>Five Star Development</u>		\$ 175,000
<u>Five Star Money Market</u>		\$ 128,000
<u>Estimated Reserve Ending Balance</u>	06/30/24	<u>\$ 3,398,000</u>

Total Approx Ending Balance	06/30/24	<u>\$ 4,018,000</u>
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Mission Hills CSD Year End Fund Balance Projections

Assumptions: 5% annual increase in Rev and Expenses

Burton Ranch Project starts in FY 25/26

Brisa Encina Project starts in FY 24/25

	<u>FY 24/25</u>	<u>FY 25/26</u>	<u>FY 26/27</u>	<u>FY 27/28</u>	<u>FY 28/29</u>	<u>FY 29/30</u>
Beginning FY Fund Balance July 1st	\$ 4,000,000	\$ 3,635,000	\$ 3,325,000	\$ 1,042,000	\$ 2,148,100	\$ 3,340,505
Revenue	\$ 2,900,000	\$ 3,045,000	\$ 3,197,250	\$ 3,357,113	\$ 3,524,968	
Expenses (less depreciation)	\$ 2,100,000	\$ 2,205,000	\$ 2,315,250	\$ 2,431,013	\$ 2,552,563	
Rev minus Expenses	\$ 800,000	\$ 840,000	\$ 882,000	\$ 926,100	\$ 972,405	
Non Operations Income (i.e., Connection Fees)	\$ 200,000	\$ 1,500,000		\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
		Burton Ranch Brisa Encina Project	Initial 150 units	100 units	100 Units	100 Units
Capital Improvement Program Expenses						
Water	\$ 390,000	\$ 2,100,000	\$ 2,800,000	\$ 380,000	\$ 290,000	
Wastewater	\$ 975,000	\$ 550,000	\$ 365,000	\$ 440,000	\$ 490,000	
Total CIP Expenses	\$ 1,365,000	\$ 2,650,000	\$ 3,165,000	\$ 820,000	\$ 780,000	
Ending FY Fund Balance June 30	\$ 3,635,000	\$ 3,325,000	\$ 1,042,000	\$ 2,148,100	\$ 3,340,505	
Reserve Program Funding Goals						
Capital Replacement	1,400,000					
Capital Improvement	260,000					
Emergency	240,000					
Operating	1,200,000					
Rate Stabilization	230,000					
Total Reserve Funding Goals	3,330,000	3,330,000	3,330,000	3,330,000	3,330,000	
Difference Between Actual & Goal	\$ 305,000	\$ (5,000)	\$ (2,288,000)	\$ (1,181,900)	\$ 10,505	

**Mission Hills Community Services District
2024-25 Fiscal Year Budget**

Water and Sewer Rates

Current and Proposed Wastewater Fixed and Variable Charges

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

Current and Proposed Water Fixed Charges

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

Current and Proposed Water Variable Charges

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

**Mission Hills Community Services District
2024-25 Fiscal Year Budget**

Capital Equipment/Projects

	A	I	J	K	L	M
1	FY 24/25 Water - 5-Year Capital Improvement Plans - Final DRAFT	2024/25	2025/26	2026/27	2027/28	2028/29
2	Distribution					
3						
4	Vault Lid - Harris Grade	\$ 40,000.00	\$ -	\$ -	\$ -	\$ -
5	Valve Replacement Project *	\$ 26,250	\$ 27,563	\$ 28,941	\$ 30,388	\$ 31,907
6	Upgrade Cla-Vals - Pressure Reducing Stations	\$ -		\$ 15,000	\$ -	\$ -
7	Meter Replacement Program*	\$ 78,750	\$ 82,688	\$ 86,822	\$ 91,163	\$ 95,721
8	Water Main Replacement (New line from Reservoirs)	\$ -	\$ -	\$ 150,000	\$ 150,000	\$ 100,000
9	SCADA System*	\$ 15,750	\$ 16,538	\$ 17,365	\$ 18,233	\$ 19,145
10	Security Cameras	\$ 15,000	\$ -	\$ -	\$ -	\$ -
11	Equipment					
12	Replace Dump Truck	\$ -	\$ -	\$ 40,000	\$ -	\$ -
15	Replace Ops Truck	\$ -	\$ -	\$ -	\$ -	\$ 40,000
16	Shop Equipment Enclosures	\$ 40,000	\$ -	\$ -	\$ -	\$ -
17	Storage					
18	Rehabilitate Reservoir Tanks					
19	Tank #1 East (Repair)	\$ -	\$ -	\$ -	\$ -	\$ -
20	Tank #2 West (Initial Repair)	\$ -	\$ -	\$ -	\$ -	\$ -
21	Treatment					
22	Filter & Valve Upgrades	\$ 60,000	\$ -	\$ -	\$ -	\$ -
23	Wells & Pumping					
24	Well #6 Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ -
25	Well #7 Rehabilitation	\$ -	\$ -	\$ -	\$ 90,000	\$ -
26	Well #5 Rehabilitation	\$ -	\$ 80,000	\$ -	\$ -	\$ -
27	Replace Well Housing Well #5	\$ 50,000	\$ -	\$ -	\$ -	\$ -
28	Burton Ranch					
29	Raw Water Reservoir	\$ -	\$ 800,000	\$ 1,000,000	\$ -	\$ -
30	New Well Installation = #8	\$ -	\$ 800,000	\$ 1,000,000	\$ -	\$ -
31	Sub Total	\$ 325,750	\$ 1,806,788	\$ 2,338,128	\$ 379,784	\$ 286,773
32	Contingency = 20%	\$ 65,150	\$ 361,358	\$ 467,626	\$ 75,957	\$ 57,355
33	TOTAL	\$ 390,900	\$ 2,168,145	\$ 2,805,754	\$ 455,741	\$ 344,128
34	<i>Last revised: 5_06_2024</i>					
35	* 5% Annual Inflation Applied to Project					

FY 24/25 Wastewater - 5-Year Capital Improvement Plans - Final Draft	2024/25	2025/26	2026/27	2027/28	2028/29
Collections					
Video & Clean Sewer Lines					
Equipment					
Replace Dump Truck (50%)	\$ -	\$ -	\$ 40,000	\$ -	\$ -
Replace Vehicle 2007 GMC Pickup	\$ 80,000	\$ -	\$ -	\$ -	\$ -
Replace Ops Truck (50%)		\$ -	\$ -	\$ -	\$ 40,000
Shop Lift Station	\$ 20,000	\$ -	\$ -	\$ -	\$ -
Security Camera Upgrade	\$ 15,000	\$ -	\$ -	\$ -	\$ -
Equipment Enclosure	\$ 40,000	\$ -	\$ -	\$ -	\$ -
Lift Station					
Lift Station Upgrades (limited scope)					
Lift Station (Replace Lift Station with back-up power)	\$ 600,000	\$ 300,000	\$ -	\$ -	\$ -
Lift Station - Wet Well Coating	\$ -	\$ -	\$ -	\$ -	\$ -
Wastewater SCADA Upgrades *	\$ 15,750	\$ 16,538	\$ 17,176	\$ 18,035	\$ 18,937
Line Pond #8 to reduce Lift Station overflow impact	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -
Sewer Treatment					
Pond Valve Structure Upgrades *	\$ 42,000	\$ 44,100	\$ 46,305	\$ 48,620	\$ 51,051
Aeration System Replacement	\$ -	\$ -	\$ 100,000	\$ -	\$ -
Pond Rehabilitation or Upgrade	\$ -	\$ -	\$ -	\$ -	\$ 300,000
Sludge Removal	\$ -	\$ -		\$ 300,000	\$ -
New Wastewater Treatment System - Addt'l. Loads	\$ -	\$ -	\$ -	\$ -	\$ -
Solar/Battery Energy (50% Wastewater)					
Bid Documents, Specifications, PM Estimate	\$ -	\$ -	\$ -	\$ -	\$ -
Solar/Battery Energy Installation	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 812,750	\$ 460,638	\$ 303,481	\$ 366,655	\$ 409,988
Contingency = 20%	\$ 162,550	\$ 92,128	\$ 60,696	\$ 73,331	\$ 81,998
TOTAL	\$ 975,300	\$ 552,765	\$ 364,177	\$ 439,986	\$ 491,985
Last revised: 5_06_2024					
* Inflation Applied to Project					

**Mission Hills Community Services District
2024-25 Fiscal Year Budget**

**Compensation Schedule
Effective 7/1/24**

Mission Hills Community Services District										
Compensation Schedule										
Fiscal Year July 1, 2024 - June 30, 2025										
Current Position (8 maximum)	Step A		Step B		Step C		Step D		Step E	
	Hourly	Annual	Hourly	Annual	Hourly	Annual	Hourly	Annual	Hourly	Annual
General Manager (Contract Position)										\$160,000.00
Administration (3 positions)										
Administrative Services Manager	\$53.25	\$110,760.06	\$56.58	\$117,682.56	\$59.91	\$124,605.07	\$63.23	\$131,527.57	\$66.56	\$138,450.07
Accountant	\$40.74	\$84,749.42	\$43.29	\$90,046.25	\$45.84	\$95,343.09	\$48.38	\$100,639.93	\$50.93	\$105,936.77
Admin Analyst / Board Secretary	\$34.23	\$71,199.62	\$36.37	\$75,649.60	\$38.51	\$80,099.57	\$40.65	\$84,549.55	\$42.79	\$88,999.52
Admin Asst. / Board Secretary	\$24.87	\$51,728.93	\$26.42	\$54,961.99	\$27.98	\$58,195.04	\$29.53	\$61,428.10	\$31.09	\$64,661.16
Customer Service Rep II	\$29.46	\$61,285.92	\$31.31	\$65,116.29	\$33.15	\$68,946.66	\$34.99	\$72,777.03	\$36.83	\$76,607.40
Customer Service Rep I	\$21.45	\$44,625.67	\$22.80	\$47,414.78	\$24.14	\$50,203.88	\$25.48	\$52,992.99	\$26.82	\$55,782.09
Operations & Maintenance (4 positions)										
Operations Supervisor	\$46.71	\$97,158.73	\$49.63	\$103,231.15	\$52.55	\$109,303.57	\$55.47	\$115,375.99	\$58.39	\$121,448.41
Operator II - Lead Water Operator	\$37.18	\$77,333.16	\$39.50	\$82,166.48	\$41.83	\$86,999.80	\$44.15	\$91,833.13	\$46.47	\$96,666.45
Operator II - Chief Plant Operator	\$37.18	\$77,333.16	\$39.50	\$82,166.48	\$41.83	\$86,999.80	\$44.15	\$91,833.13	\$46.47	\$96,666.45
Operator II	\$34.58	\$71,933.46	\$36.74	\$76,429.30	\$38.91	\$80,925.14	\$41.07	\$85,420.98	\$43.23	\$89,916.82
Operator I	\$29.26	\$60,860.99	\$31.09	\$64,664.81	\$32.92	\$68,468.62	\$34.75	\$72,272.43	\$36.58	\$76,076.24
Operator in Training (O.I.T.) -	\$23.54	\$48,955.28	\$24.92	\$51,835.00	\$26.31	\$54,714.73	\$27.69	\$57,594.45		\$57,594.45