

Board of Directors

Steve Dietrich, President
Jim MacKenzie, Vice President
Jim Keeling, Financial Director
Myron Heavin, Director
Matthew Starbuck, Director



1550 East Burton Mesa Blvd.
Lompoc, California, 93436-2100
805.733.4366
www.mhcsd.org

Brad Hagemann, General Manager

Mission Hills Community Services District Board of Directors

Regular Meeting

Wednesday, April 19, 2023

4:30 PM

1550 East Burton Mesa Blvd, Lompoc, CA - District Board Room

Agenda

Public and staff may access the meeting via Zoom:

URL to sign in for video access.

<https://zoom.us/j/9467006985?pwd=TnBqZGJXbWhCNuUdJNXhMZGU3alhDZz09>

Meeting ID: 946 700 6985

To access the meeting via telephone:

Dial in 1 (669) 900-9128

Director James Mac Kenzie attending via Teleconference:

James Mac Kenzie: 3324 Erica Place, Lompoc, CA 93436

In accordance with Government Code Section 54953(b) this agenda will be posted at the above teleconference locations and those locations will be accessible to the public.

1. Call to Order and Pledge of Allegiance

2. Roll Call

3. Public Comment – Members of the public may address the Board on any item within the jurisdiction of the Board not included on this agenda for up to 3 minutes (Government Code Section 54954.3). **If you are unable to attend, you can submit comments in advance of the meeting to admin@mhcsd.org before 1:00 PM, Tuesday, April 18, 2023.**

4. Closed Session (If needed)

A. Conference with Legal Counsel – Existing Litigation pursuant to Government Code Section 54956.9(d)(1), Plaintiff is the City of Lompoc, Defendant is Mission Hills CSD

RECONVENE

Report out of Closed Session

5. Consent Agenda - Staff recommends Directors approve the Consent Agenda in one motion. Members of the public may comment on a consent item (3-minute maximum per speaker). Directors may pull a consent item for discussion or separate vote.

A. Consideration of Approval of Minutes from:

- i) March 29, 2023, Special Board Meeting

B. Activity Reports for March

- i) Administration includes Administrative Assistant, Customer Service, Administrative Services Manager and General Manager Reports.
- ii) Water
- iii) Wastewater
- iv) Goals and Committee Updates

C. Financial Reports

- i) Revenue and Expenses Previous Year Comparison
- ii) Disbursements Journal
- iii) Variation from Projected Income
- iv) Bank Account Summary
- v) Budget to Actual

6. Regular Business

- A.** Discuss and consider Proposed Cost of Living Adjustment for Salary Schedule effective July 1, 2023
- B.** Review and Provide Direction to staff regarding the Draft FY 2023/24 Preliminary Operating Budget
- C.** Consider adoption of a Resolution Recognizing former Director Bruce Nix and dedicating the Administration office in his name

7. Communications - The Board of Directors may ask a question for clarification, make an announcement, or report briefly on recent activities or conferences. Also, Directors may provide a reference to staff or other resources for information, direct staff to place a topic or report on a future committee or regular meeting agenda.

- A.** General Manager's Comments
- B.** Directors' Comments
- C.** Public Comments (up to 3 minutes for topics within the District's jurisdiction)

ADJOURN

Regular Board Meetings are held on the third Wednesday of each month beginning at 4:30 PM Copies of the staff reports, or written materials provided for Mission Hills CSD for Open Session agenda items may be obtained upon request and are also available at the Customer Service Counter of the District Office for public inspection and reproduction during regular business hours. Closed Session items are not available for public review.

In compliance with the Americans with Disabilities Act If you need special assistance to participate in this

meeting or if you need the agenda or other documents in the agenda packet provided in an alternative format, contact Board Secretary at 805.733.4366 at least 48 hours before the meeting to ensure that reasonable arrangements can be made. (Agenda Prepared under Government Code Section 54954.2)

**Mission Hills Community Services District Board of Directors
Special Meetings Minutes
Wednesday, March 29, 2023
1550 East Burton Mesa Blvd, Lompoc, CA - District Board Room**

The Regular Meeting of the Board of Directors of the Mission Hills Community Services District was called to order at 4:35 pm on Wednesday, March 29, 2023, at the District Meeting Room, 1550 East Burton Mesa Boulevard, Lompoc, California.

DIRECTORS PRESENT:

By roll call: Steve Dietrich James Keeling, Matthew Starbuck, Myron Heavin and Director Jim MacKenzie attended Via Teleconference.

DIRECTORS ABSENT:

None

STAFF PRESENT:

Brad Hagemann, Carol Reynolds, Javier Rodriguez, Angel Diosdado, Jose Acosta, and Lupe Huitron

OTHERS PRESENT:

Mark Hensley

- 1. **Call to Order and Pledge of Allegiance**
- 2. **Roll Call**
- 3. **Public Comment-** No public comment received.

4. Consent Agenda

- A. Approval of Minutes
 - i) February 15, 2023

B. Activity Reports for March

- i) Administration includes Administration Assistant, Account Receivables, Administrative Services Manager and General Manager Reports.
- ii) Water
- iii) Wastewater Graphs

iv) Goals and Committee Updates

C. Financial Reports

- i) Revenue and Expenses Previous Year Comparison
- ii) Disbursements Journal
- iii) Variation from Projected Income
- iv) Bank Account Summary
- v) Budget to Actual

Approved Consent Items

Motion made by Director Keeling and seconded by Director Mac Kenzie, to approve the Consent Agenda as presented Motion **passed 5-0 vote.**

5. Regular Business Items

- i. **Consider Adoption of Resolution No. 23-350 Updating the District's Investment Policy**
Motion made by Director Keeling and second by Director Heavin to approve Resolution No. 23-350 updating the Investment Policy. **Motion passed 5-0 vote.**

- 6. **Communications** - The Board of Directors may ask a question for clarification, make an announcement, or report briefly on recent activities or conferences. Also, Directors may provide a reference to staff or other resources for information, direct staff to place a topic or report on a future committee or regular meeting agenda.

A. General Manager's Comments- None

B. Directors' Comments- None

C. Public Comments-None

Adjourn to Closed Session

- 7. **Public Comment on Closed Session-** No Public Comment

8. Closed Session

- A. Conference with Legal Counsel – Existing Litigation pursuant to Government Code Section 54956.9(d)(1), Plaintiff is the City of Lompoc, Defendant is Mission Hills CSD

Reports out of Closed Session – No reportable action.

With no further business to come before the Board, the meeting adjourned at 6:30 PM

Respectfully submitted:

Lupe Huitron

X

Steve Dietrich, President

X

Lupe Huitron, Board Secretary

Administrative Assistant

- Scheduled vehicles with Santa Barbara County for maintenance.
- Contacted Santa Barbara County regarding form 700's.
- Assisted Board with a specific mandated course.
- Drafted agenda notices for Special & Committee Meetings
- Prepared documents for Board Packet
- Corresponded to emails.
- Scheduled meetings.
- Reviewed the Fleet Smog Program with Operations Supervisor
- Assisted customers with payments.
- Reviewed form 700 with Amber from Santa Ynez Water Conservation District
- Worked with Districts Insurance carrier on playground safety measures
- Attended Community Engagement meeting for Community Outreach
- Assisted Legal Counsel with 700 forms (The person who does their forms is out so assisted Lane with this process)
- Contacted streamline on guidance in reference to (SB 272- Enterprise System Catalog)
- Gathered paperwork for Can and Will Serve letters
- Re-created Committee Meeting Update Report for better formatting

Customer Service/Account Receivables

- **Monthly:** New Customer Move Ins & Move outs: 4
- Applied 10% late fee non pay March: # 105 accounts.
- Accounts **5** have entered Yr. or less payoff extension agreement \$ 4,641.
- Attended Training with the field crew/updates with Kamstrup App with meter sales Reps.
- Completed Winter Averaging for Commercial accounts.
- *(1 Owner account bal. \$3,448 off since May 2022)*
- Residential \$3,168 for 4 accounts paid by **CSD.CA.Gov** federal funded low-income program based on persons in the household. Can qualify for up to a onetime \$2,000 payment. Ends 8/31/23.

- Assisted Customers, Recorded Payments
- Prepared Bank Deposits
- Participated in Financial Evaluation with CSDA Representative
- Worked with Coast Hills
- Worked with Five Star Bank
- Worked with Compuvision on Approved Projects
- Processed Accounts Payable
- Processed Payroll
- Completed Board Packet Reports
- Completed End of Month Reconciliations
- Reviewed Priorities on Operations with General Manager on Weekly Basis
- Attended Board Meeting
- Updated Signers on Bank Accounts
- Completed Form 700 Filings
- Completed LAFCO MSR Questionnaire
- Planned & Implemented Celebration of Life Event
- Completed & Submitted Cyber Liability Questionnaire
- Completed & Submitted Property Coverage Schedules
- Worked on Preliminary Budget, Both Operating & Capital Improvement Projects
- Participated in Community Engagement Committee Meeting
- Participated in Energy Committee Meeting
- Participated in Finance Committee Meeting
- Reviewed with Operations Manager the Items Discussed in Water Committee Meeting
- Reviewed with Operations Manager the Items Discussed in Wastewater Committee Meeting
- Completed JPIA Job Description Webinar
- Completed JPIA Why Zebra's Don't Get Ulcers Webinar
- Completed JPIA Workplace Violence Webinar
- Completed CSDA Grant Writing for Special Districts Webinar

General Manager Report Will be Provided as an Oral Report

MISSION HILLS COMMUNITY SERVICES DISTRICT Water Reports – March 2023

Monthly Water Distributed: 7.6 MG (31 days)

Daily average: 0.24 MGD

Monthly Water Sold: 7.1 MG (30 days)

Monthly Wastewater Influent: 5.86 MG

Wells

- Well 5 level transmitter installed and uploaded to SCADA.

Tanks

- Tank rehab pre-construction meeting with Crosno, ATS, State Parks, and MHCS D on 3/21/23
- East Tank was drained, and valves closed for preparation of tank rehab project.

Compliance

- State Regulator approved Lead and Copper sample reduction from 40 samples semi-annually to 20 samples annually.

Distribution System Maintenance/Repair

- Replaced 5 Hersey meters to Kamstrup meters.
- Repaired 2 service line leaks and 1 main break.
- Preventative Maintenance Program: **February**
 - Hydrant Maintenance: 0
 - Valve exercised: 16

Recurring Tasks

- **Daily:**
 - Electronically monitor levels via SCADA System
- **Weekly:**
 - Electronically check CL2 levels
 - Reorganize shop and tool inventory.
- **Quarterly:**
 - Clean and inspect the solar panel for backup battery (Jan, Apr, Jul, Oct)
- **As Needed:**
 - Weed abatement.

Water Treatment Plant

- **Daily:**
 - Electronically record bulk storage tank levels
 - Determine daily filtration chemical rate.

- Record water produced from Wells 5,6, and 7
- **Weekly:**
 - Clean chlorine injection lines
 - Take and record Iron and Manganese treatment samples.
- **Monthly:** Complete State Water Resource Control Board (SWRCB) reports
- **Quarterly:** Remove weeds around shop and filtration plant (Feb, May, Aug, Nov)

Distribution System

- **Weekly:**
 - Collect and report weekly chlorine, phosphate, and PH results.
 - Sample “Bac-T” (coliform detection) every Wednesday
- **Monthly:**
 - Take distribution samples for State Water Board reports as needed.
 - End of month Residential and Commercial Meter Reads
 - Install new Kamstrup meters under Capital Improvement Project
 - Test and Inspect field equipment.
 - Mainline valve exercising
 - Hydrant flushing
- **Semi-Annually**
 - Complete dead-end flushing (Jun & Dec)

Safety

- Attend Weekly Safety Meetings
- Inspect Fire Extinguishers at water treatment plant, shop, and vehicles.
- Perform Daily Visual Inspection at Water Treatment Plant and Park

MISSION HILLS COMMUNITY SERVICES DISTRICT Wastewater Report – March 2023

Total Plant Monthly Influent flow: 5.86 MG

Average Daily Flow: 0.189 MGD

Ratio of Avg Daily Water produce to Avg. Daily Wastewater Flow: 189,000/240,000 = 78%

Compliance

- Submitted CIWQS monthly No-Spill Report for the month of March.
- No permit exceedances noted for February.
- Submitted updated 2022 SSMP certification to CWIQS.
- Certified the continuation of existing regulatory coverage to the new Statewide Sanitary Sewer Systems General Order - 2022

Collection System/Lift Station

- Manhole baskets were received and awaiting the media to arrive for odor control on Calle Primera/ Via Feliz.

Recurring Tasks:

Wastewater Treatment Plant

- **Daily:**
 - Record influent and recycle flows.
 - Monitor and record D.O. levels at Pond 1 & 2 effluent.
- **Weekly:**
 - In-house process control sampling and testing
 - Inspect and clean Headworks.
 - Remove Grit and inorganics from the Headworks.
 - Record PH levels at Pond 1 & 2 effluent
- **Monthly:** Complete Regional Water Quality Control Board (RWQCB) reports
- **Quarterly:** Self -Monitoring Reports (Jan, April, July, Oct)

Safety

- Inspect Fire Extinguishers at water treatment plant, shop, and vehicles.
- Perform Once Daily Visual Inspection at Wastewater Treatment Plant.

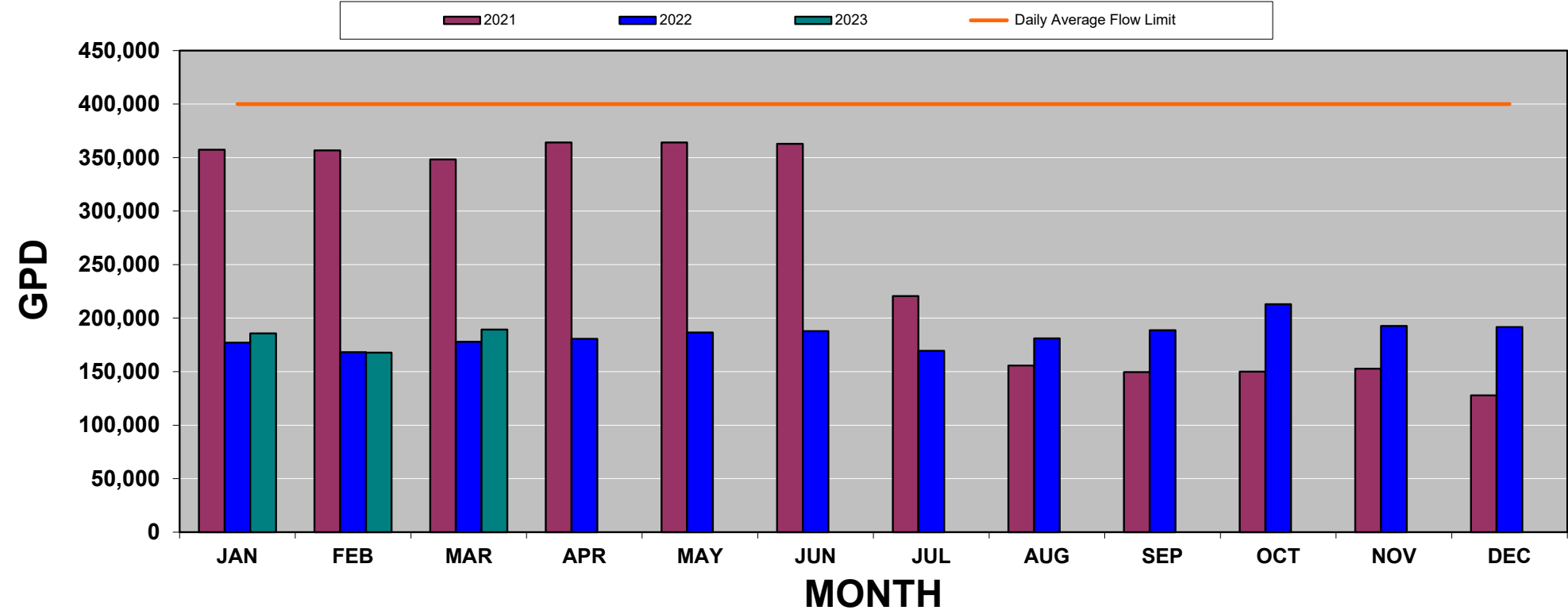
MHCSD AVERAGE DAILY WASTEWATER FLOW (GPD)

MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Daily Average Flow Limit	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
2021	357,387	356,786	348,300	364,137	364,059	362,893	220,668	155,799	149,498	149,936	152,728	127,829
2022	177,041	168,115	177,989	180,559	186,491	187,850	169,490	181,125	188,697	212,966	192,728	191,717
2023	185,814	167,689	189,351									

July 2021- Sept. 2022 Recycle flow was removed from total effluent flow.

Jan 2021- Jun 2021 inaccurate Flo-dar meter readings

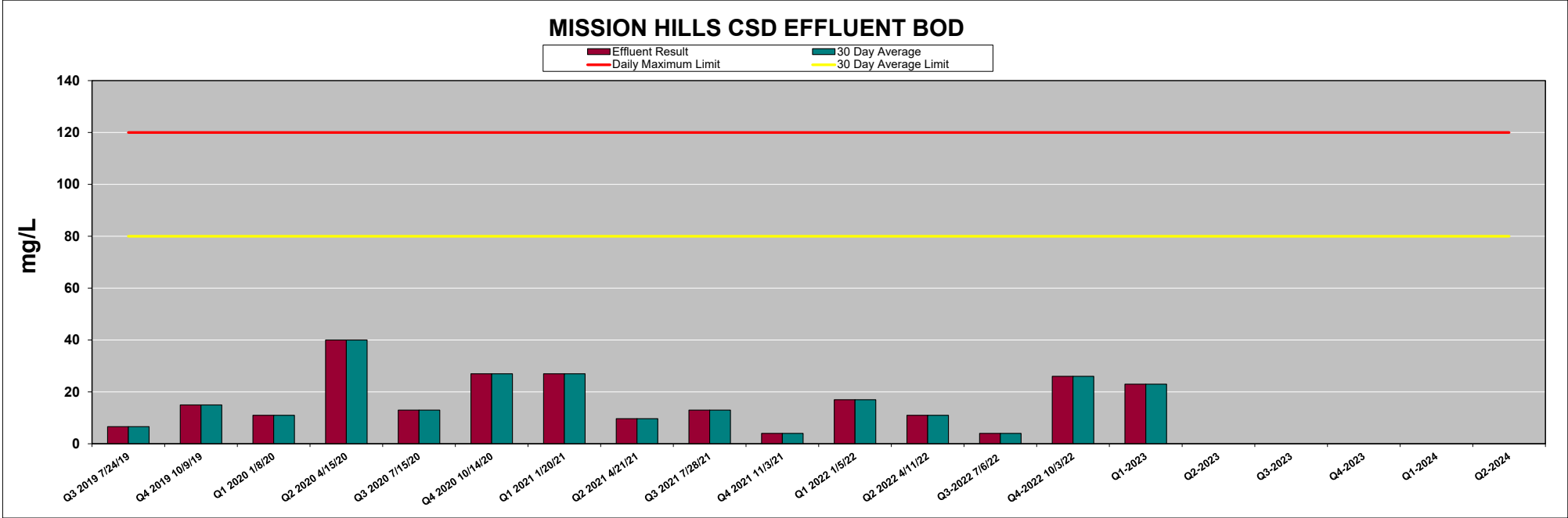
MISSION HILLS CSD AVERAGE DAILY FLOW



MISSION HILLS CSD EFFLUENT BOD (mg/L)

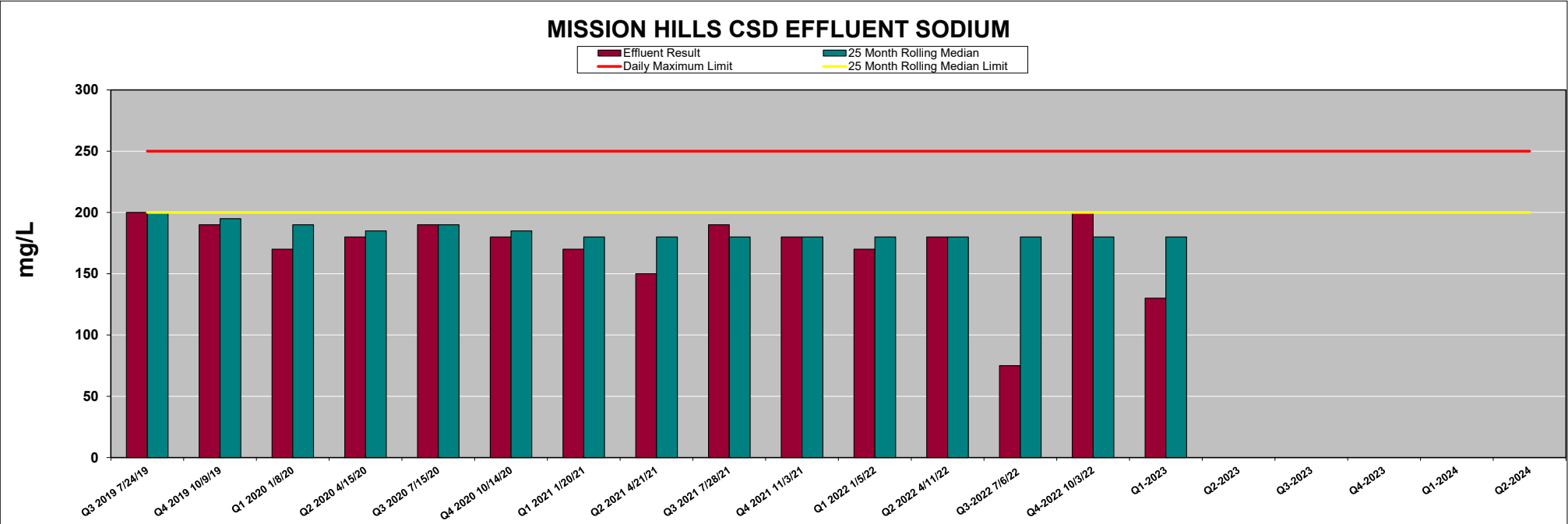
MONTH	7/24/2019	10/9/2019	1/8/2020	4/15/2020	7/15/2020	10/14/2020	1/20/2021	4/21/2021	7/28/2021	11/3/2021	1/5/2022	4/11/2022	7/6/2022	10/3/2022	1/12/2023	Q2-2023	Q3-2023	Q4-2023	Q1-2024	Q2-2024	
Daily Maximum Permit Limit	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120
30 Day Average Permit Limit	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80
Effluent Result	7	15	11	>40	13	27	27	10	13	<4.0	17	11	<4.0	26	23						
30 Day Average	7	15	11	>40	13	27	27	10	13	<4.0	17	11	<4.0	26	23						

Non-detect, estimated, and greater than (>) results are graphed at their reporting levels or as reported by lab.



MISSION HILLS CSD EFFLUENT SODIUM (mg/L)

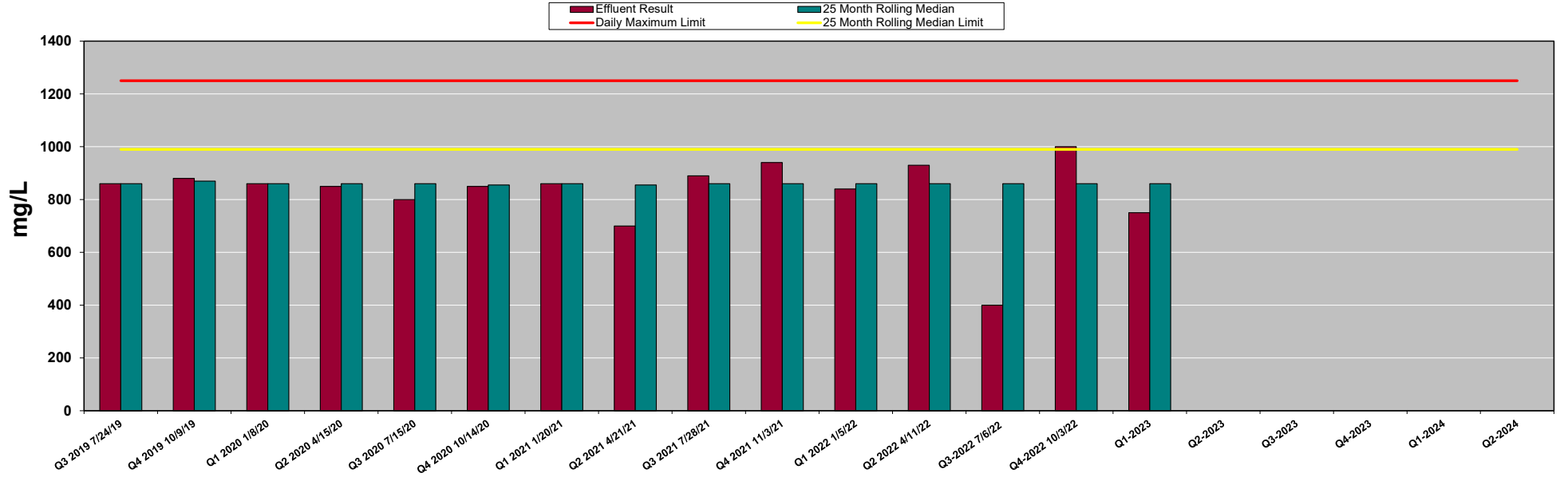
MONTH	7/24/2019	10/9/2019	1/8/2020	4/15/2020	7/15/2020	10/14/2020	1/20/2021	4/21/2021	7/28/2021	11/3/2021	1/5/2022	4/11/2022	7/6/2022	10/3/2022	1/12/2023	Q2-2023	Q3-2023	Q4-2023	Q1-2024	Q2-2024	
Daily Maximum Permit Limit	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250
25 Month Rolling Median Limit	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200
Effluent Result	200	190	170	180	190	180	170	150	190	180	170	180	75	200	130						
25 Month Rolling Median	200	195	190	185	190	185	180	180	180	180	180	180	180	180	180						



MISSION HILLS CSD EFFLUENT TOTAL DISSOLVED SOLIDS (mg/L)

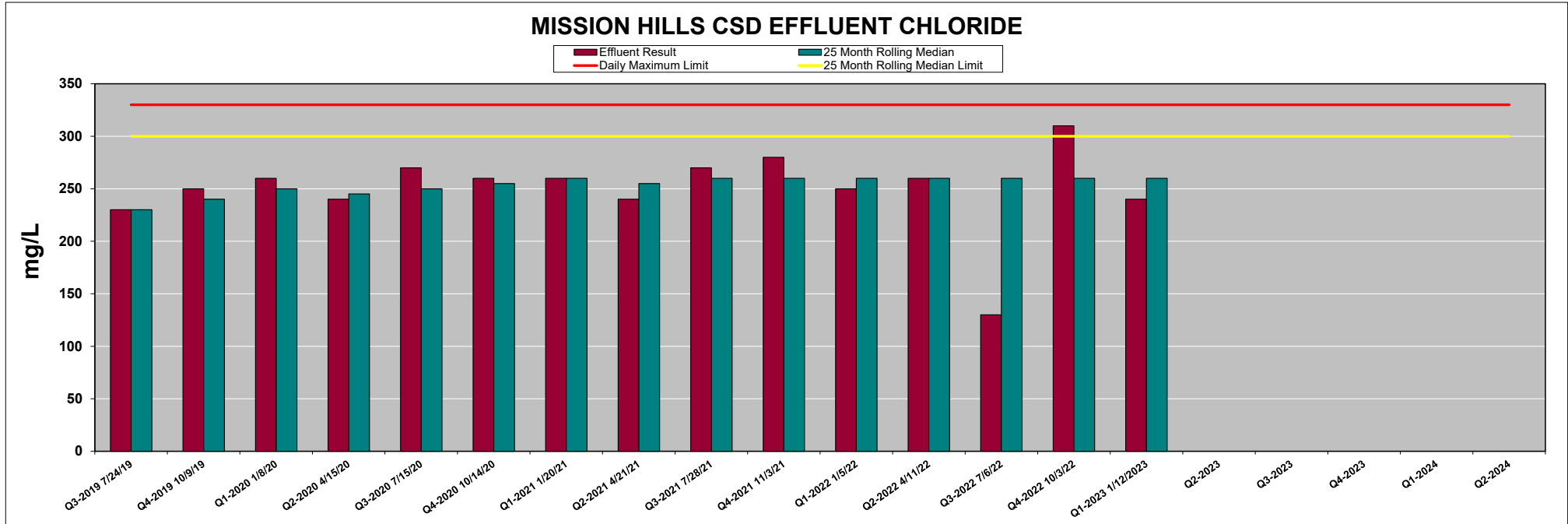
MONTH	7/24/2019	10/9/2019	1/8/2020	4/15/2020	7/15/2020	10/14/2020	1/20/2021	4/21/2021	7/28/2021	11/3/2021	1/5/2022	4/11/2022	7/6/2022	10/3/2022	1/12/2023	Q2-2023	Q3-2023	Q4-2023	Q1-2024	Q2-2024	
Daily Maximum Permit Limit	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
25 Month Rolling Median Limit	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990
Effluent Result	860	880	860	850	800	850	860	700	890	940	840	930	400	1,000	750						
25 Month Rolling Median	860	870	860	860	860	855	860	855	860	860	860	860	860	860	860						

MISSION HILLS CSD EFFLUENT TOTAL DISSOLVED SOLIDS



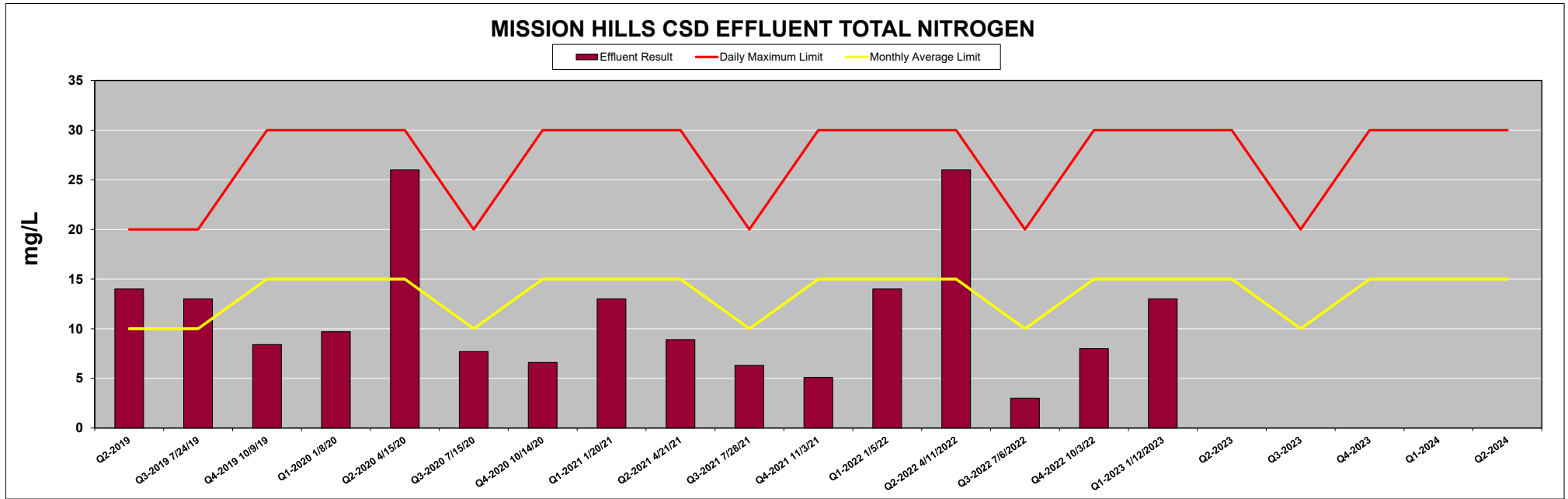
MISSION HILLS CSD EFFLUENT CHLORIDE (mg/L)

MONTH	7/24/2019	10/9/2019	1/8/2020	4/15/2020	7/15/2020	10/14/2020	1/20/2021	4/21/2021	7/28/2021	11/3/2021	1/5/2022	4/11/2022	7/6/2022	10/3/2022	1/12/2023	Q2-2023	Q3-2023	Q4-2023	Q1-2024	Q2-2024	
Daily Maximum Permit Limit	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330
25 Month Rolling Median Limit	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Effluent Result	230	250	260	240	270	260	260	240	270	280	250	260	130	310	240						
25 Month Rolling Median	230	240	250	245	250	255	260	255	260	260	260	260	260	260	260						



MISSION HILLS CSD EFFLUENT TOTAL NITROGEN (mg/L)

MONTH	7/24/2019	8/20/2019	10/9/2019	1/8/2020	4/15/2020	7/15/2020	10/14/2020	1/20/2021	4/21/2021	7/28/2021	11/3/2021	1/5/2022	4/11/2022	7/6/2022	10/3/2022	1/12/2023	Q2-2023	Q3-2023	Q4-2023	Q1-2024	Q2-2024
Daily Maximum Permit Limit	20	20	30	30	30	20	30	30	30	20	30	30	30	20	30	30	30	20	30	30	30
Monthly Average Limit	10	10	15	15	15	10	15	15	15	10	15	15	15	10	15	15	15	10	15	15	15
Effluent Result	14	13	8	10	26	8	7	13	9	6	5	14	26	3	8	13					



Top Goals

Established by Board of Directors

(Staff recommends the Board of Directors consider updating the Top Goals on an annual or by-annual basis)

1. Wastewater TN (Total Nitrogen), Na (Sodium) & Chloride concentration reduction plan and compliance with RWQCB Time Schedule Order.

- Staff continues to carefully monitor the treatment system to keep the effluent total Nitrogen levels in compliance with the TSO and WDR standards. The most recent compliance monitoring results and process control monitoring results have remained below the permit limits. Staff met with our new permit writer at the RWQCB in November and December. Staff has completed the TSO milestones to: Develop and Implement valve repair program - due date 10/31/2022 (completed); and Develop a Chloride Reduction program – due date 11/30/2022 (completed). Staff is working on isolating the pond valves so we can perform maintenance and repair as needed. [No changes from the March 29th meeting update]

2. Lawsuit with the City of Lompoc

Refer to Closed Session discussion

3. Cost Reduction – Energy usage and other applicable initiatives

Please refer to the Energy Committee Update.

4. Public Outreach – Implement regular information to the community.

Staff continues to look for ways to improve our public outreach. Staff recently switched our website provider to Streamline. Our website is now more user friendly, and we are adding features that make it easier for our customers and interested parties to obtain information about the District. Staff worked on re-creating a new District Facebook Page to post content pertaining to MHCSO. Current Goals suggested by Community Engagement Committee will be shared on different Facebook Forums next, so that we are able to reach the Lompoc Community. Also refer to the Public Outreach Committee summary.

5. Pursue Grant Funding Opportunities for Capital Projects

Grant funding requires an applicant to have a project that is designed and ready for bid. As we complete the Burton Ranch Development Agreement and make progress on the Lift Station Preliminary Design Report, we will be able to actively seek out and apply for grant funding. [No update from the March 29th meeting update]

Updated April 14, 2023

MHCS D COMMITTEE MEETING UPDATES

April 19, 2023, Board Meeting

Committee	Summary Discussion	Completed Meeting Date
<p style="text-align: center;">Water</p> <p>MacKenzie & Starbuck Alt-Dietrich</p>	Committee members provided an oral summary of their March 13 th meeting at the March 29 th Board meeting. Next meeting TBD.	March 13, 2023
<p style="text-align: center;">Wastewater</p> <p>Mackenzie & Starbuck Alt-Heavin</p>	Committee members provided an oral summary of their March 13 th meeting at the March 29 th Board meeting. Next meeting TBD.	March 13, 2023
<p style="text-align: center;">Finance</p> <p>Dietrich & Keeling Alt-Starbuck</p>	The Committee received a staff presentation on the draft FY 2023/24 Budget. The Committee generally agreed with the draft budget, provided direction to staff and requested staff present the draft budget to the full Board at the April 19 th Board meeting. Next meeting TBD.	April 12, 2023
<p style="text-align: center;">Energy</p> <p>Heavin & Starbuck Alt-Dietrich</p>	Committee members provided an oral summary of their March 17 th meeting at the March 29 th Board meeting. Points discussed, Solar Project. Next meeting TBD.	March 17, 2023
<p style="text-align: center;">Personnel</p> <p>Keeling & Dietrich Alt-MacKenzie</p>	The Personnel Committee did not meet in March. Next meeting is scheduled for April 26	
<p style="text-align: center;">GSA for WMA</p> <p>Heavin Alt-MacKenzie</p>	The WMA GSA met on February 22, 2023, and March 22, 2023. The February 22 nd meeting minutes and the Agenda for the March 22 nd meeting are attached. The GSA approved the 2022 Annual Report and directed staff to submit it to the State. The next GSA meeting is scheduled for April 26, 2023.	March 22, 2023
<p style="text-align: center;">Community Engagement</p> <p>Heavin & Keeling Alt-Starbuck</p>	Committee members provided a written and oral presentation at the March 29 th Board meeting. Staff circulated the Committee's suggested goals for the program and requested responses by April 5 th . Next meeting TBD.	March 17, 2023
<p style="text-align: center;">Development</p> <p>Dietrich & MacKenzie Alt-Keeling</p>	Development Committee did not meet. Next meeting TBD.	

Mission Hills Community Services District
Revenue and Expenses Previous Year Comparison
March 2023

	Mar 23	Mar 22	\$ Change	Explanation
Ordinary Income/Expense				
Income				
4005 · 48 hour notice fees	270.00	285.00	-15.00	
4045 · Late fees	1,718.41	0.00	1,718.41	No Late Fees 2022 - Covid
4060 · Reconnection fees	100.00	0.00	100.00	
4075 · Returned check fees	30.00	85.00	-55.00	
4085 · Sewer basic charges	90,020.99	83,883.37	6,137.62	Rate Increase 2023
4095 · Street sweeping charges	1,499.52	1,504.80	-5.28	
4105 · Water basic charges	55,729.77	60,130.98	-4,401.21	Rate Decrease 2023
4115 · Water usage charges	24,034.73	41,404.80	-17,370.07	Reduced Usage 2023 - Rain
Total Income	173,403.42	187,293.95	-13,890.53	
Gross Profit	173,403.42	187,293.95	-13,890.53	
Expense				
6000 · Salaries and wages				
6005 · Wage expense	75,393.10	75,554.83	-161.73	
6010 · Payroll tax expense	6,659.69	6,470.81	188.88	
Total 6000 · Salaries and wages	82,052.79	82,025.64	27.15	
6050 · Employee benefits				
6060 · Disability insurance	232.18	258.50	-26.32	
6065 · Health insurance	10,427.48	-326.98	10,754.46	Timing of Payment 2022
6075 · Retirement expenses	2,148.61	1,974.58	174.03	
6085 · Workers compensation expense	0.00	4,268.16	-4,268.16	Timing of Quarterly Audit Payment 2022
6090 · Vacation & Sick Leave	10,056.09	6,810.82	3,245.27	More Vacation & Sick Leave Taken 2023
6095 · Benefit Administration	89.82	89.82	0.00	
Total 6050 · Employee benefits	22,954.18	13,074.90	9,879.28	
6100 · Director fees	1,625.00	1,625.00	0.00	
6110 · Depreciation expense	28,189.70	31,054.00	-2,864.30	Slight Decrease in Depreciation 2023
6140 · Vehicle expenses				
6160 · Fleet Management	0.00	573.91	-573.91	
6145 · Tractor and equipment	7.00	0.00	7.00	
6150 · Vehicle fuel	1,400.18	1,576.27	-176.09	
6155 · Vehicle maintenance	1,079.63	185.00	894.63	
Total 6140 · Vehicle expenses	2,486.81	2,335.18	151.63	
6200 · Office expenses				
6205 · Bank fees and charges	0.00	15.00	-15.00	
6210 · Cash (over) / short	0.00	250.77	-250.77	
6230 · Office supplies	152.40	323.00	-170.60	
6235 · Postage expense	998.33	922.50	75.83	
6245 · Office Equipment	1,509.08	169.17	1,339.91	New Computer & Screen 2023
Total 6200 · Office expenses	2,659.81	1,680.44	979.37	
6300 · Operating supplies and expenses				
6310 · Miscellaneous supplies	1,030.30	241.48	788.82	
6325 · Portable equipment	0.00	3,450.64	-3,450.64	VM 810 Kit 2022
6330 · Shop supplies	115.85	110.23	5.62	
6335 · Small tools and appliances	229.69	39.53	190.16	
6340 · Chemicals				
6342 · Bioremediation	0.00	2,854.64	-2,854.64	Less Chemicals 2023
6344 · Chlorine	0.00	1,014.37	-1,014.37	Less Chemicals 2023
6345 · Corrosion inhibitor	0.00	6,470.15	-6,470.15	Less Chemicals 2023
6347 · Other chemicals	0.00	276.39	-276.39	
Total 6340 · Chemicals	0.00	10,615.55	-10,615.55	
Total 6300 · Operating supplies and expenses	1,375.84	14,457.43	-13,081.59	
6410 · Contractual services				
6420 · Cleaning service	200.00	200.00	0.00	
6425 · Office equip maintenance	98.53	185.62	-87.09	
6430 · Internet access	168.35	163.35	5.00	
6435 · Landscaping services	361.82	675.00	-313.18	
6437 · Pest Control	110.00	100.00	10.00	
6445 · Security expense	112.50	112.50	0.00	

Mission Hills Community Services District
Disbursements Journal
March 2023

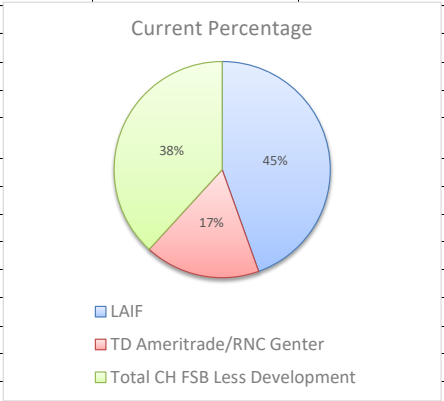
	Date	Num	Name	Amount	Explanation
1000 - FSB - Operating 1535412					
	03/07/2023	33200	ACWA/JPIA *Medical Insurance	-11,624.33	Monthly Medical, Dental, Vision, Life Ins
	03/07/2023	33201	American Industrial Supply	-482.75	
	03/07/2023	33202	Brenntag Pacific, Inc	-5,070.98	Chemicals
	03/07/2023	33203	California Rural Water Assn	-900.00	
	03/07/2023	33204	Clinical Labs of San Bernardino	-1,034.00	
	03/07/2023	33205	Coastline Equipment	-141,198.97	John Deere Backhoe
	03/07/2023	33206	Comcast	-168.35	
	03/07/2023	33207	Compuvision	-1,350.50	
	03/07/2023	33208	Core & Main	-11,798.04	Meters
	03/07/2023	33209	County of Santa Barbara- Gen	-3,230.80	Vehicle Maintenance & Fuel
	03/07/2023	33210	CSDA	-1,048.94	
	03/07/2023	33211	Dahl Air Conditioning	-210.00	
	03/07/2023	33212	De Lage Landen Financial Ser	-169.17	
	03/07/2023	33213	East Mesa Oaks HOA	-65.83	
	03/07/2023	33214	Energy Link	-832.10	
	03/07/2023	33215	Filtronics, Inc.	-543.75	
	03/07/2023	33216	Fluid Resource Management	-560.00	
	03/07/2023	33217	Frontier Communications	-65.79	
	03/07/2023	33218	Hach Company	-4.37	
	03/07/2023	33219	Hensley Law Group	-7,750.00	Legal Fees
	03/07/2023	33220	Jon's Lawn Mowing	-322.94	
	03/07/2023	33221	Juana Garcia Rodriguez	-200.00	
	03/07/2023	33222	Linde Gas & Equipment Inc	-44.30	
	03/07/2023	33223	O'Connor Pest Control	-110.00	
	03/07/2023	33224	Ponton Industries, Inc.	-451.05	
	03/07/2023	33225	Pro3 Automation Inc	-6,029.39	Scada Upgrade, Rewire 2hp Pump
	03/07/2023	33226	Reliant Water Technologies	-8,148.00	Wet Well Wizard
	03/07/2023	33227	Reimbursement	-905.00	Tuition Reimbursement
	03/07/2023	33228	SoCalGas	-2,440.32	Utility Bill
	03/07/2023	33229	SP Maintenance Services, Inc	-1,587.38	Street Sweeping
	03/07/2023	33230	Standard Insurance Company	-272.87	
	03/07/2023	33231	Staples Business Credit	-99.60	
	03/07/2023	33232	Ultrex Inc	-172.37	
	03/07/2023	33233	Underground Service Alert of	-15.25	
	03/07/2023	33234	Waste Management	-292.02	
	03/21/2023	EFT	Verizon	-199.01	
	03/27/2023	33235	Advantage Technical Services	-5,571.49	Water Storage Tank Engineering & Specification Development
	03/27/2023	33236	Carmel & Naccasha LLP	-1,043.14	Legal Fees
	03/27/2023	33237	Clinical Labs of San Bernardino	-458.00	
	03/27/2023	33238	Compuvision	-2,681.95	Monthly Ongoing Services, Additional Computer & Screen
	03/27/2023	33239	County of Santa Barbara PW	-95.00	
	03/27/2023	33240	D.L. Electric, Inc	-195.49	
	03/27/2023	33241	Hach Company	-5,256.00	Maintenance Contracts
	03/27/2023	33242	Home Depot	-486.26	
	03/27/2023	33243	Inklings Printing Company	-337.13	
	03/27/2023	33244	JB Dewar Inc	-490.66	
	03/27/2023	33245	Juana Garcia Rodriguez Janitorial	-200.00	
	03/27/2023	33246	Refund	-22.62	Rate Payer Refund
	03/27/2023	33247	Pro3 Automation Inc	-1,560.00	Flo Dar Meter Testing
	03/27/2023	33248	Reece Plumbing	-688.81	
	03/27/2023	33249	Reimbursement	-2,255.00	Nix Service Reimbursement
	03/27/2023	33250	Refund	-232.51	Rate Payer Refund
	03/27/2023	33251	Smith Alarms & Electronics, Ir	-112.50	
	03/27/2023	33252	Standard Insurance Company	0.00	
	03/27/2023	33253	Stantec	-1,833.35	Conceptual Water Supply Study

Mission Hills Community Services District
Disbursements Journal
March 2023

	Date	Num	Name	Amount	Explanation
	03/27/2023	33254	USA BlueBook	-585.50	
Total 1000 · FSB - Operating 1535412				-233,503.58	
1060 · CHCU - General 4163					
	03/01/2023	EFT	Tierzero	-133.90	
	03/06/2023	EFT	PG&E	-2,895.89	Utility Bill
	03/07/2023	32884	Five Star Bank	-250,000.00	Transfer Funds to Five Star Bank
	03/16/2023	EFT	PG&E	-1,429.28	Utility Bill
	03/16/2023	EFT	PG&E	-1,425.13	Utility Bill
	03/16/2023	EFT	PG&E	-437.74	Utility Bill
	03/16/2023	EFT	PG&E	-213.42	Utility Bill
	03/16/2023	EFT	PG&E	-2,400.76	Utility Bill
	03/21/2023	EFT	PG&E	-10.44	Utility Bill
	03/25/2023	EFT	TASC	-89.82	
Total 1060 · CHCU - General 4163				-259,036.38	
1070 · CHCU - Payroll 4155					
	03/01/2023		Payroll	-20,016.47	
	03/03/2023	E-pay	EDD	-1,389.18	
	03/03/2023	E-pay	IRS USATAXPYMT	-5,416.94	
	03/03/2023	EFT	CA State Disbursement Unit/E	-299.07	
	03/07/2023	1362	Matrix Trust Company	-4,262.73	401K/457
	03/15/2023		Payroll	-19,501.89	
	03/17/2023	E-pay	EDD	-1,383.35	
	03/17/2023	E-pay	IRS USATAXPYMT	-5,329.96	
	03/17/2023	EFT	CA State Disbursement Unit/E	-299.07	
	03/27/2023	1363	Matrix Trust Company	-4,178.85	401K/457
	03/29/2023		Payroll	-19,656.94	
	03/29/2023		Payroll	-1,486.08	
	03/30/2023	E-pay	EDD	-1,359.20	
	03/30/2023	E-pay	IRS USATAXPYMT	-5,506.74	
	03/30/2023	EFT	CA State Disbursement Unit/E	-299.07	
	03/31/2023	EFT	AFLAC	-100.23	
Total 1070 · CHCU - Payroll 4155				-90,485.77	
1075 · CHCU - ACH 4130					
	03/16/2023	EFT	Springbrook (ACH Services)	-192.96	
Total 1075 · CHCU - ACH 4130				-192.96	
TOTAL				-583,218.69	

	A	B	C	D	E	F	G	H	I	J	K
1	Variation From Projected Income										
2	Fiscal Year Ending 6-30-2023										
3											
4		Water			Wastewater						
5	Billing Month	Projected Income*	Actual Income	Variation	Projected Income	Actual Income	Variation	Total (Loss) / Gain	Current Year Units Sold	Last Year Units Sold	Previous 5 Year Average Units Sold
6	Jul-22	\$ 114,125	\$ 115,954	\$ 1,829	\$ 83,750	\$ 84,284	\$ 534	\$ 2,363	22,621	23,039	22,132
7	Aug-22	\$ 117,875	\$ 116,411	\$ (1,464)	\$ 83,750	\$ 84,012	\$ 262	\$ (1,202)	25,390	25,038	24,000
8	Sep-22	\$ 116,250	\$ 123,135	\$ 6,885	\$ 83,750	\$ 84,083	\$ 333	\$ 7,218	20,829	21,488	22,252
9	Oct-22	\$ 112,000	\$ 111,535	\$ (465)	\$ 83,750	\$ 83,923	\$ 173	\$ (292)	16,842	18,786	20,501
10	Nov-22	\$ 110,125	\$ 104,613	\$ (5,512)	\$ 83,750	\$ 90,668	\$ 6,918	\$ 1,406	15,567	17,377	19,882
11	Dec-22	\$ 100,625	\$ 98,210	\$ (2,415)	\$ 83,750	\$ 90,466	\$ 6,716	\$ 4,301	10,999	11,828	14,781
12	Jan-23	\$ 89,125	\$ 84,430	\$ (4,695)	\$ 83,750	\$ 90,525	\$ 6,775	\$ 2,079	9,757	12,272	11,964
13	Feb-23	\$ 94,375	\$ 80,682	\$ (13,693)	\$ 83,750	\$ 91,044	\$ 7,294	\$ (6,399)	9,472	16,772	14,006
14	Mar-23	\$ 91,000	\$ 79,765	\$ (11,236)	\$ 83,750	\$ 90,021	\$ 6,271	\$ (4,965)	9,017	19,671	12,884
15	Apr-23	\$ 90,625	\$ -	\$ -	\$ 83,750	\$ -	\$ -	\$ -		17,723	13,480
16	May-23	\$ 102,750	\$ -	\$ -	\$ 83,750	\$ -	\$ -	\$ -		23,118	18,271
17	Jun-23	\$ 111,125	\$ -	\$ -	\$ 83,750	\$ -	\$ -	\$ -		22,524	20,430
18											
19	Total	\$ 1,250,000	\$ 914,735	\$ (30,765)	\$ 1,005,000	\$ 789,025	\$ 35,275	\$ 4,510	140,494	229,636	214,583
21									Year to Date Monthly Averages		
22	YTD avg	100%	73%		100%	79%			15,610	19,136	17,882
23									Yearly Average	19,136	17,882
24											
25	* Projected Income is calculated by using current year and previous 5 year average monthly units sold.										
26											
27	Units Sold by Calendar Year (1 Unit = 1 HCF = 748 Gallons)										

	A	AM	AN	AO	AP	AQ	AR	AS	AT	AU
1	Bank Account Summary									
2										
3		7/31/2022	8/31/2022	9/30/2022	10/31/2022	11/30/2022	12/31/2022	1/31/2023	2/28/2023	3/31/2023
31										
32	LAIF	\$1,740,868	\$1,740,868	\$1,740,868	\$1,746,792	\$1,746,792	\$1,746,792	\$1,755,917	\$1,756,842	\$1,755,917
33										
34	TD Ameritrade/RNC Genter	\$1,275,353	\$1,272,832	\$1,267,141	\$1,265,349	\$1,274,442	\$676,072	\$677,886	\$677,767	\$681,527
35										
36	Coast Hills FCU									
37	Checking	\$509,281	\$403,898	\$385,477	\$506,532	\$407,477	\$301,898	\$389,104	\$487,562	\$350,426
38	Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
39	Investment Checking	\$202	\$202	\$202	\$202	\$202	\$202	\$202	\$202	\$202
40	Savings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41	Payroll	\$62,923	\$33,096	\$18,384	\$14,140	\$14,451	\$36,764	\$55,733	\$48,255	\$21,983
42	ACH (Sweep Account)	\$1,000	\$2,522	\$2,910	\$3,570	\$3,285	\$1,000	\$1,932	\$2,519	\$1,000
43	Total Coast Hill FCU	\$573,406	\$439,717	\$406,972	\$524,444	\$425,415	\$339,864	\$446,970	\$538,538	\$373,612
44										
45	Five Star Bank									
46	Operating	\$369	\$150,380	\$150,393	\$77,085	\$68,835	\$220,420	\$81,158	\$36,357	\$67,006
47	Development	\$261,437	\$261,459	\$261,481	\$261,503	\$261,525	\$261,547	\$261,569	\$261,589	\$261,611
48	Money Market	\$455,694	\$456,275	\$456,837	\$457,552	\$458,305	\$1,059,879	\$1,061,817	\$1,063,757	\$1,066,102
49	ACH (Sweep Account)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
50	Payroll	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
51	Total Five Star Bank	\$717,500	\$868,114	\$868,711	\$796,140	\$788,664	\$1,541,845	\$1,404,544	\$1,361,704	\$1,394,719
52										
53	Combined Balance	\$4,307,127	\$4,321,532	\$4,283,693	\$4,332,724	\$4,235,313	\$4,304,572	\$4,285,317	\$4,334,851	\$4,205,774
54										
55	Monthly Change	\$1,238	\$14,404	-\$37,839	\$49,031	-\$97,411	\$69,259	-\$19,255	\$49,534	-\$129,077
56										
57	Fiscal Year Monthly Change To Date									
58	-\$100,115									
59										
60	INVESTMENT STRATEGY									
61	Along with resuming active management, the									
62	Finance Committee and Staff recommend a									
63	balanced distribution of monies as stated below									
64	between TD Ameritrade, LAIF and Coast Hills									
65	Credit Union/Five Star Bank. This distribution will									
66	allow the District to maximize yields on									
67	investments, while meeting operating and capital									
68	cash needs									
68	Recommended Investment Strategy:									
69	01. Coast Hills CU/Five Star Bank: \$300,000									
70										
71	Goal of about 10%									
72	02. TD Ameritrade: 50% of balance of unrestricted									
73	cash									
74	Goal of about 45%									
75	03. LAIF: 50% of the balance of unrestricted cash									
76	Goal of about 45%									
77										
78										



	B	C	D	E	F	G	H	L	M
1	Mission Hills Community Services District								9
2	Budget to Actual Comparison								0.75
3	JUL 22 -MAR 23								3
4		Budgeted	Prorated Budget	Actual		Remainder		% of Budget	Explanation
5	Income	Fiscal Year 22-23	JUL 22 -MAR 23	JUL 22 -MAR 23	Difference	Budgeted Amount		75%	
6	Late Fees/Charges	\$ 50,000	\$ 37,500	\$ 23,932	\$ (13,568)	\$ 26,068		48%	Lower Than Budgeted
7	Water Service	\$ 1,250,000	\$ 937,500	\$ 914,735	\$ (22,765)	\$ 335,265		73%	Slightly lower than Budgeted
8	Sewer Service	\$ 1,005,000	\$ 753,750	\$ 789,025	\$ 35,275	\$ 215,975		79%	Slightly Higher Than Budgeted
9	Street Sweeping	\$ 18,000	\$ 13,500	\$ 13,551	\$ 51	\$ 4,449		75%	On Track With Budget
10		\$ 2,323,000	\$ 1,742,250	\$ 1,741,243	\$ (1,007)	\$ 581,757		75%	Revenue is on Track With Budget
11									
12									
13		Budgeted		Actual		Remainder			
14	Expense	Fiscal Year 22-23	JUL 22 -MAR 23	JUL 22 -MAR 23	Difference	Budgeted Amount			
15	Salaries & Wages	\$ 705,000	\$ 528,750	\$ 564,150	\$ (35,400)	\$ 140,850		80%	Slightly Higher Than Budgeted
16	Employee Benefits	\$ 250,000	\$ 187,500	\$ 176,463	\$ 11,037	\$ 73,537		71%	Slightly Lower Than Budgeted
17	Director Fees	\$ 16,500	\$ 12,375	\$ 6,375	\$ 6,000	\$ 10,125		39%	Less Meetings Than Budgeted
18	Depreciation	\$ 375,000	\$ 281,250	\$ 253,707	\$ 27,543	\$ 121,293		68%	Depreciation Slightly Lower Than Budgeted
19	Election Expense	\$ 3,000	\$ 2,250	\$ -	\$ 2,250	\$ 3,000		0%	No Election Expense
20	Vehicle Expense	\$ 23,000	\$ 17,250	\$ 27,681	\$ (10,431)	\$ (4,681)		120%	More Maintenance Than Budgeted - Additional Vehicles
21	Insurance	\$ 25,000	\$ 18,750	\$ 11,875	\$ 6,875	\$ 13,125		47%	Lower Than Budgeted
22	Memberships	\$ 30,000	\$ 22,500	\$ 25,806	\$ (3,306)	\$ 4,194		86%	Timing of Payment of Memberships
23	Office Expenses	\$ 25,000	\$ 18,750	\$ 16,072	\$ 2,678	\$ 8,928		64%	Lower Than Budgeted
24	Operating Supplies	\$ 25,000	\$ 18,750	\$ 12,663	\$ 6,088	\$ 12,338		51%	Lower Than Budgeted
25	Chemicals	\$ 100,000	\$ 75,000	\$ 40,327	\$ 34,673	\$ 59,673		40%	Lower Than Budgeted
26	Safety	\$ 5,000	\$ 3,750	\$ 3,490	\$ 260	\$ 1,510		70%	Slightly Lower Than Budgeted
27	Contractual Services	\$ 125,000	\$ 93,750	\$ 93,737	\$ 13	\$ 31,263		75%	Right on track with Budget
28	Professional Services	\$ 125,000	\$ 93,750	\$ 59,018	\$ 34,732	\$ 65,982		47%	Lower Than Budgeted
29	Printing & Publication	\$ 5,300	\$ 3,975	\$ 2,139	\$ 1,836	\$ 3,161		40%	Lower Than Budgeted
30	Equipment Lease	\$ 13,500	\$ 10,125	\$ 7,071	\$ 3,054	\$ 6,429		52%	Lower Than Budgeted
31	Monitoring	\$ 36,000	\$ 27,000	\$ 12,076	\$ 14,924	\$ 23,924		34%	Lower Than Budgeted
32	Travel/Meetings/Meals	\$ 15,000	\$ 11,250	\$ 8,046	\$ 3,204	\$ 6,954		54%	Lower Than Budgeted
33	Utilities	\$ 220,000	\$ 165,000	\$ 137,446	\$ 27,554	\$ 82,554		62%	Lower Than Budgeted
34	Government Fees	\$ 35,000	\$ 26,250	\$ 33,515	\$ (7,265)	\$ 1,485		96%	Timing of Payment of SWRCB Fees
35	Repairs & Maintenance	\$ 80,000	\$ 60,000	\$ 89,815	\$ (29,815)	\$ (9,815)		112%	Timing of Payment Surface Pumps
36	Miscellaneous Expenses	\$ 25,000	\$ 18,750	\$ -	\$ 18,750	\$ 25,000		0%	Uncollectables or Write Offs
37		\$ 2,262,300	\$ 1,696,725	\$ 1,581,470	\$ 115,255	\$ 680,830		70%	Expenses Are 5% Below Budget
38									
46	Resolution 15-229 - Budget Preparation and Approval Process								
47	C.3. - Whenever a budgeted expense line item has circumstances where a projected expense exceeds a 5% variance of the total budget,								
48	the GM will be required to seek a super majority approval from the BoD before the expense is finalized, when possible.								
49					5% =	\$ 113,115.00			



MISSION HILLS COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors
FROM: Brad Hagemann, General Manager
DATE: April 18, 2023
SUBJECT: Resolution No. 23-351 – Cost of Living Salary Adjustment

Recommendation / Proposed Motion

Proposed Motion: Approve Resolution No. 23-351 Approving Cost of Living Salary Adjustments for all permanent District employees, effective July 1, 2023.

Policy Reference

- California Government Code §61242 and §61244 allows the Board to determine the compensation for District employees.
- Mission Hills CSD Policy 2150 requires all salary adjustments recommended by the General Manager be considered and approved by the Board of Directors.

Budget Resource

A cost-of-living allowance was included in the pay schedule of the Draft Fiscal Year 2023/2024 budget.

Alternatives Considered

The Board may consider a higher or lower cost of living adjustment.

Discussion

Staff recommends a cost-of-living adjustment for fiscal year 2022/2023 of 8.7%. This number is calculated by the US Department of Labor, Bureau of Labor Statistics and can be found on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). This index specifically reflects the economic adjustments for our region.

https://data.bls.gov/timeseries/CWURN400SA0&output_view=pct_12mths

Attachment(s):

1. Resolution No. 23-351 – Approval of Cost-of-Living Adjustments

RESOLUTION NO. 23-351

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MISSION
HILLS COMMUNITY SERVICES DISTRICT APPROVING COST OF
LIVING ADJUSTMENTS FOR ALL PERMANENT DISTRICT
EMPLOYEES**

WHEREAS, the Mission Hills Community Services District (the “District”) is formed pursuant to California Government Code Section 61000 et seq.;

WHEREAS, pursuant to California Government Code Section 61241 and Section 61244, the District Board of Directors (“Board”) may fix compensation of District employees.

WHEREAS, on April 19, 2023, the Board reviewed the District’s Draft Budget (the “Budget”) for fiscal year 2023/2024 which included a revision to the District’s pay schedule that incorporated the 2022 Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers (CPI-W) cost of living adjustment for all permanent District employees; and

WHEREAS, the Board finds that it is in the best interests of the District and the community to adjust employee compensation consistent with the Budget and the cost of living in the area.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Mission Hills Community Services District hereby approves an **eight point seven percent (8.7%)** cost of living increase to all District employees’ compensation. This Resolution shall become effective the **1st of July 2023**.

On motion of Director, seconded by Director and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

the foregoing Resolution was passed and adopted this **19th day of April 2023**.

By: _____
Steve Dietrich, President, Board of Directors

Attest:

By: _____
Guadalupe Huitron, Board Secretary



MISSION HILLS COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Mission Hills Community Services District Board of Directors
FROM: Brad Hagemann, General Manager
Carol Reynolds, Administrative Services Manager
DATE: April 19, 2023
SUBJECT: Review of Fiscal Year 2023-2024 Preliminary Operation Budget

Recommendation

Staff recommends the District Board of Directors review, discuss, and provide direction to staff on the Preliminary Budget for Fiscal Year 2023-2024

Policy Reference

Mission Hills CSD Policy 3020 directs staff to prepare an annual budget each year. The Policy requires the budget adoption process to be initiated at the April Regular Board meeting and completed by May 31. Staff has prepared the attached Preliminary FY 2023-24 budget for the Board’s review and comment.

Budget Resource

The Preliminary Fiscal Year 2023-24 Operating Budget anticipates the following revenue and expenses by class:

	<u>Revenue</u>	<u>Expense</u>
Water	\$1,360,000	\$1,325,000
Wastewater	\$1,180,000	\$1,055,000
Other	<u>\$ 60,000</u>	<u>\$ 20,000</u>
Total	\$2,600,000	\$2,400,000

The FY 23/24 Draft Capital Improvement Program consists of planned Capital Projects and major maintenance forecasted to be performed during the Fiscal Year.

- \$1,000,000 Water
- \$ 280,000 Wastewater

Discussion

On April 12, 2023, Staff met with the Finance Committee to discuss the FY 23/24 Preliminary Budget. The Committee provided input to staff and requested staff to bring the Preliminary Budget to the full Board for review and comment at the April 19, 2023, regular meeting. Staff responded to the Committee member's comments and questions and provided an opportunity for public comment.

At the Board meeting, staff will provide the Board with a projection of the FY 22/23 Revenue and Expenses; FY 23/24 Estimated Revenue and Expenses by Class; The 5-year Water and Wastewater Capital Improvement Program; and an estimated Profit/Loss Calculation for the Fiscal Year.

With the full Board's concurrence, staff anticipates bringing the FY 2023/24 Final budget back to the Board for approval at the May Board meeting.

Attachment(s):

1. Preliminary FY 2023/24 Operations Budget
2. FY 23/24 Draft 5 Year Water Capital Improvement Program
3. FY 23/24 Draft 5 Year Wastewater Capital Improvement Program

Preliminary FY 2023/2024 Operating Budget

	A	B	C	D	E	F	J
1		Mission Hills Community Services District					
2		Final Fiscal Year 2023-2024 Budget					
3			CONSOLIDATED TOTAL FOR ALL FUNDS				
4							
5			FYE 2022 ACTUAL	FYE 2023 ANNUAL BUDGET	FYE 2023 ANNUAL PROJECTION	FYE 2024 PROPOSED	Reason for Changes
6		Revenue					
7	1	Late Fees/Charges	\$ 53,629	\$ 50,000	\$ 31,097	\$ 40,000	Estimate including late fees being charged for full fiscal year
8	2	Water Service	\$ 1,293,445	\$ 1,250,000	\$ 1,276,390	\$ 1,358,034	Including Rate Study Rates
9	3	Sewer Service	\$ 1,004,500	\$ 1,005,000	\$ 1,034,871	\$ 1,173,590	Including Rate Study Rates
10	4	Street Sweeping	\$ 18,021	\$ 18,000	\$ 18,070	\$ 18,000	Including Rate Study Rates
11	5	Total Operating Revenue	\$ 2,369,596	\$ 2,323,000	\$ 2,360,427	\$ 2,589,624	
12							
13							
14		Operating Expenses	FYE 2022 ACTUAL	FYE 2023 ADOPTED BUDGET	FYE 2023 ANNUAL PROJECTION	FYE 2024 PROPOSED	Reason for Changes
15	6	Salaries & Wages	\$ 670,316	\$ 705,000	\$ 678,617	\$ 787,873	Anticipates full staffing, Promotions, Certification Advancements and 8.7% COLA
16	7	Employee Benefits & Payroll Taxes	\$ 204,976	\$ 250,000	\$ 284,147	\$ 285,000	Fully Staffed
17	8	Director Fees	\$ 14,125	\$ 16,500	\$ 7,000	\$ 15,000	More Meetings expected for 2023
18	9	Depreciation (Reserves)	\$ 372,654	\$ 375,000	\$ 372,648	\$ 372,648	Slight Increase in Depreciation
19	10	Election Expense	\$ -	\$ 3,000	\$ -	\$ -	No Positions Required
20	11	Vehicle Expense	\$ 30,744	\$ 23,000	\$ 31,125	\$ 30,000	Slightly Lower Projection - Newer Vehicle
21	12	Insurance	\$ 12,523	\$ 25,000	\$ 74,170	\$ 40,000	Insurance Cost Flat with FYE 22 - Good Safety Record
22	13	Memberships	\$ 25,015	\$ 30,000	\$ 39,667	\$ 40,000	Plan on Decreasing Memberships from FYE 22
23	14	Office Expenses	\$ 28,386	\$ 25,000	\$ 21,820	\$ 25,000	Slightly Lower Projection from FYE 22
24	15	Operating Supplies	\$ 50,114	\$ 25,000	\$ 18,433	\$ 20,000	Need to Lower costs from FYE 22
25	16	Chemicals	\$ 82,383	\$ 100,000	\$ 68,243	\$ 75,000	Slight Increase from FYE 2022 Projected
26	17	Safety	\$ 5,297	\$ 5,000	\$ 5,732	\$ 5,000	Flat Projection
27	18	Contractual Services	\$ 206,201	\$ 125,000	\$ 126,160	\$ 125,000	Contemplates Decrease in FYE22 Actual Costs
28	19	Professional Services	\$ 227,800	\$ 125,000	\$ 64,134	\$ 70,000	Flat Projection
29	20	Equipment Lease	\$ 9,481	\$ 13,500	\$ 9,759	\$ 7,500	Flat Projection
30	21	Printing & Publication	\$ 7,075	\$ 5,300	\$ 3,054	\$ 5,000	Slight Reduction From FYE 2022 Budget
31	22	Monitoring (Lab Samples)	\$ 37,069	\$ 36,000	\$ 18,550	\$ 25,000	Flat Projection
32	23	Training/Meetings/Meals	\$ 11,724	\$ 15,000	\$ 11,052	\$ 20,000	Slight Reduction From FYE 2022 Budget
33	24	Utilities	\$ 197,739	\$ 220,000	\$ 204,121	\$ 225,000	Contemplates Increase in Utilities Expense - Due to Inflation
34	25	Government Fees	\$ 44,611	\$ 35,000	\$ 56,795	\$ 100,000	Anticipates Slight Increase in FYE 22 Projected Costs
35	26	Repairs & Maintenance	\$ 66,962	\$ 80,000	\$ 71,235	\$ 80,000	Contemplates Reduction in Repairs & Maintenance Expense
36	27	Ratepayer write offs	\$ 3,552	\$ 25,000	\$ -	\$ 25,000	Contemplates Writing Off Old Debts
37	28	Total Operating Expenses	\$ 2,308,747	\$ 2,262,300	\$ 2,166,460	\$ 2,378,021	
38							
39		Net Operating Gain/(Loss)	\$ 60,849	\$ 60,700	\$ 193,967	\$ 211,603	
40							
41							\$ 1,072,873

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

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



MISSION HILLS COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors
FROM: Brad Hagemann, General Manager
DATE: April 18, 2023
SUBJECT: Dedication of the District Administration Building to Mr. Bruce Nix

Recommendation / Proposed Motion

Proposed Motion: Approve Resolution No. 23-352 Dedicating the MHCS District Administration Building to former Director Bruce Nix

Discussion

Mr. Bruce Nix faithfully served on the Mission Hills Community Services District as the Board President and Director for over 35 years. Bruce served on various committees throughout his years of service and was instrumental in the establishment and development of the District. Bruce did not seek reelection to the Board of Directors at the end of his term in December 2022. Sadly, Bruce passed away unexpectedly on March 13, 2023.

In recognition of Bruce's many contributions to the District, the Board of Directors requested staff to prepare a Resolution dedicating the District Administration Building at 1550 East Burton Mesa to Mr. Bruce Nix. The draft Resolution is attached for the Board's consideration and adoption.

Attachment(s):

1. Resolution No. 23-352 –

RESOLUTION NO. 23-352

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MISSION HILLS COMMUNITY SERVICES DISTRICT DEDICATING THE ADMINISTRATION BUILDING TO FORMER BOARD DIRECTOR, Mr. BRUCE NIX

WHEREAS, Bruce Nix, served as a Director and Board President for the Mission Hills Community Services District for over 35 years; and,

WHEREAS, Bruce Nix made major contributions in establishment and operation of the Mission Hills Community Services District, ensuring the District achieved its community goals and objectives in a cost effective manner; and,

WHEREAS, Bruce Nix made significant contributions to the District by actively serving on the Finance Committee, Personnel Committee, Operations Committee and served as the District Representative on the Santa Ynez River Water Conservation District;, and;

WHEREAS, Bruce Nix passed away unexpectedly on March 13, 2023.

NOW THEREFORE, BE IT RESOLVED THAT the Mission Hills Community Services District Board of Directors, in honor of Mr. Bruce Nix’s contributions to the District, hereby dedicates the District Administration Building, located at 1550 East Burton Ranch Blvd. to Bruce Nix in recognition of his service to the District.

This Resolution shall be in full force and effect from and after its passage as provided by law.

On motion of Director, _____ seconded by Director _____ and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

The foregoing Resolution was passed and adopted this **19th day of April 2023.**

By: _____
Steve Dietrich, President, Board of Directors

Attest:

By: _____
Guadalupe Huitron, Board Secretary



MISSION HILLS COMMUNITY SERVICES DISTRICT

7. COMMUNICATIONS- Board of Directors may ask a question for clarification, make an announcement, or report briefly on recent activities or conferences. Also, Directors may provide a reference to staff or other resources for information, request the Board President consider placing an item on a future committee meeting or regular meeting.

A. General Manager Comments

B. Director's Comments

C. Public Comments

LAST PAGE OF BOARD PACKET