



Mission statement of McKinleyville Community Services District:
“Provide McKinleyville with safe and reliable water, wastewater, lighting, open space, parks and recreation, library services, and other appropriate services for an urban community in an environmentally and fiscally responsible manner.”

**NOTICE IS HEREBY GIVEN THAT A *Special* MEETING OF THE
MCKINLEYVILLE COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS
AUDIT AND FINANCE COMMITTEE MEETING
WILL BE HELD
FRIDAY, APRIL 21, 2023 at 11:00 a.m.**

**LOCATION: MCSD District Office Conference Room
1656 Sutter Road
McKinleyville, CA 95519**

MEETING AGENDA

1. Call to Order
2. Public Comment
3. Transfer of Funds to California CLASS

Posted 5:00 p.m. April 14, 2023

Pursuant to California Government Code Section 54957.5, this agenda and complete packet are available for public inspection on the web at McKinleyvillecsd.com or upon request at the MCSD office, 1656 Sutter Road, McKinleyville.

McKinleyville Community Services District will, on request, make agendas available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Individuals who need this agenda in an alternative format or who need a disability-related modification or accommodation in order to participate in the meeting should contact the Board Secretary at (707) 839-3251. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements for accommodations.

in July, the District is authorized to purchase shares of beneficial interest issued by the California CLASS with available funds of the District, and to redeem some or all of those shares from time to time as such funds are needed.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- District Reserve Calculations FY22-23

McKinleyville Community Services District Reserves Calculations

	Beginning Balance	Calculation/ NetActiv/Adj	Ending Balance	Bank	Criteria/ Notes
Working Capital Reserves					
Customer Deposits	100,700	2,718	103,418	Umpqua	Amount sufficient to repay Customer Deposits
Pay-Go Capital Proj (cumulative)	-	1,000,000	1,000,000	Umpqua	Cumulative Pay-Go CIP Total per Board
Compensated Absences	338,553	-	338,553	Umpqua	Amount sufficient to pay Vacation/Sick Leave
Open Subdivision Deposits	25,112	(7,017)	18,095	Umpqua	Amount sufficient to repay Developer Deposits
Operating Reserve FY22-23 Budget*	-	665,125	665,125	Umpqua	30 days District Expense per current budget
		Total:	2,125,192		100% Funded
MoneyMkt Cash Balance Available:			6,063,804		as of 28 February 2023

Restricted Reserves, Externally Held					
USDA 1982 Sewer Bond	84,004	3	84,007	Humboldt County	100% Funded adjusted to US bank stmt @ month-end close
SRF WWMF Loan Reserve	611,412	-	611,412	Humboldt County	set by lender, zero interest, no adjustment
Quimby Coastal Funds: Parks CIP-Hiller	53,227	-	53,227	Humboldt County	reconciled annually w/County at year-end close
Quimby Inland Funds: Parks CIP-All Other	163,050	-	163,050	Humboldt County	reconciled annually w/County at year-end close

Restricted Reserves: Actuarial Liabilities					
1,245,006	2,112,810	-	2,112,810	CalTrust	Currently held in CalTRUST, LAIF, County Accts PERS 100% Funded, FY19-21 Liability Balance
6,942,623	4,487,432	-	4,487,432	CalTrust, LAIF, Humboldt County	OPEB 65% Funded; will increase w/ 115 Trust
			65%		

Designated Reserves					
Capacity Fees (see schedule)	4,134,118	730,912	4,865,030	CalTrust	100% Funded 73% of \$4,838,374: CapFees placed in Wkg Capital
Repair/ Replacement (see schedule)	1,360,499	240,000	1,600,499	CalTrust	CIP Sinking Fund - Biosolids Project
Mainline Replacement Project	3,470,000	1,760,000	5,230,000	CalTrust	From Board Approved 2018 Rate Study
Catastrophe Reserves (curr.assessment)	1,382,777	(39,445)	1,343,332	CalTrust	16.6% of FY21-22 Total Expenditures

*Staff Note: moved to Working Capital from Investment acct

CalTrust Balance Available:	7,866,827	As of March 31
Humboldt County Balance Available:	6,935,340	As of February 28
Humboldt County Quimby Available:	216,277	As of January 31
LAIF Balance Available:	140,656	As of March 31

FY20-21 Fixed Assets List

GL#	Water Fund501	Sewer Fund551	Parks Fund901	StreetLts Fund005	Total
12405 Furn/Fixtures	18,296.86	17,739.82			36,036.68
12410 Communication Eq	5,881.71	5,696.46			11,578.17
12415 Tools/Equip	313,631.67	425,707.32	294,132.86		1,033,471.85
12425 Safety Equip	20,860.36	20,203.34			41,063.70
12430 Computers	195,087.36	189,060.53	13,257.02		397,404.91
12102 Paving	56,266.63	54,168.60	59,137.94		169,573.17
12105 Office/Shop	193,391.87	511,511.76			704,903.63
12151 Parks/Rec Bldgs			4,842,790.15		4,842,790.15
12010 R&D	61,656.40	401,293.92			462,950.32
12201 Source Plant	3,644,425.23				3,644,425.23
12205 Pump Stations	1,958,759.06	3,161,710.24			5,120,469.30
12210 Transmission Lines	9,460,300.52	1,015,488.00			10,475,788.52
12305 Sewage Treatment		20,077,698.10			20,077,698.10
12310 Sewage Disposal		3,059,111.87			3,059,111.87
12315 Sewage Collection		10,854,117.96			10,854,117.96
12401 Streetlights				549,838.87	549,838.87
12420 Vehicles	473,526.56	754,920.44	54,608.40		1,283,055.40
12505 Park Improvements			1,404,378.35		1,404,378.35
14001 Constr. In progress	890,372.55	4,270,122.54	256,256.74		5,416,751.83
Total	17,292,456.78	44,818,550.90	6,924,561.46	549,838.87	69,585,408.01

69,585,408.01

Revenue GL#	FY20-21	FY21-22Budgeted	Total
501-40000	1,516,495.31	1,769,334.00	3,285,829.31
501-40001	2,522,214.35	2,421,215.00	4,943,429.35
551-40002	3,928,318.22	4,371,210.00	8,299,528.22
005-41050	15,311.45	15,000.00	30,311.45
005-47001	100,472.43	105,929.73	206,402.16

16,765,500.49 Calc Total

FY21-22 Total Budgeted Expenditures

8,092,360.00

Fiscal Year Ending:	2020	2021	2022	2023	2024	2025	2026
Mainline Replacement Project Rate stream per 2018 Rate Study (Bd approved Med-option)							
Water Fund	880,000.00	840,000.00	950,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Sewer Fund	850,000.00	920,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00

	2022	2023	2024	2025	2026
Initial Draft CIP Schedule for R&R					
Water Fund Tank painting/ maint	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Ramey pump stn upgrades	2,300.00	2,300.00	2,300.00	2,300.00	2,300.00
Sewer Fund Sludge Disposal	240,000.00	240,000.00	240,000.00	240,000.00	240,000.00
Barn/Fence/Hse/Irrig pipes	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00
Solar Proj/	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00
Fischer lift station upgrades	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Misc/Emergency Equip	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00
Streetlights Fund Heavy Equip (Lift)	8,300.00	8,300.00	8,300.00	8,300.00	8,300.00
Inspection	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
LED repairs (10 yr cycle)	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Parks/Rec Major appliance replacemt	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00
Vehicles	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Siding/Flooring replacemt	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Playgrnd Structure repl	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00
Totals	317,600.00	317,600.00	317,600.00	317,600.00	317,600.00

Investment Accounts current balances for Designated Reserves

Checking Account	2021-0430 Bals	Journal Entries	2021-0531 Bal
999-10011			
Checking Account Bal			
Money Market Bal			
001-10099			
004-10099			
005-10099			
501-10099			
551-10099			
901-951-10099			
999-10099			

LAIF Account	2021-0430 Bals	Journal Entries	2021-0531 Bal
Undesignated 551-10025			
OPEB Resv Holdg 551-10025-996			

County Trust Acct #2260

001-10020	
004-10020	
Pension Set-Aside 001-10021-211	

County Trust Acct #4240

Undesignated 501-10021
551-10021
Biosolids Proj 551-10021-554
OPEB Resv Holdg 501-10021-996
551-10021-996

CalTRUST Short-Term

Undesignated 551-10027-210

CalTRUST Med-Term Accts

Pension SetAsides 501-10027-211
551-10027-211

Capacity Fees 501-10027-545
551-10027-545

Operating Reserve 501-10027-991

Catastrophe Resv 501-10027-994
551-10027-994

OPEB Resv Holdg 001-10027-996
501-10027-996
551-10027-996

PensionResvHoldg 001-10027-997
501-10027-997
551-10027-997

MainlineProjResv 501-10027-998
551-10027-998

FY19-20 Fixed Assets List

GL#	Water Fund501	Sewer Fund551	Parks Fund901	StreetLts Fund005	Total
12405 Furn/Fixtures	18,296.86	17,739.82			36,036.68
12410 Communication Eq	5,881.71	5,696.46			11,578.17
12415 Tools/Equip	313,631.67	425,707.32	278,277.27		1,017,616.26
12425 Safety Equip	20,860.36	20,203.34			41,063.70
12430 Computers	188,430.80	182,613.63	10,380.75		381,425.18
12102 Paving	56,266.63	54,168.60	47,953.94		158,389.17
12105 Office/Shop	193,391.87	455,735.26			649,127.13
12151 Parks/Rec Bldgs			4,827,791.15		4,827,791.15
12010 R&D	61,656.40	401,293.92			462,950.32
12201 Source Plant	3,613,685.07				3,613,685.07
12205 Pump Stations	1,934,521.05	2,502,163.15			4,436,684.20
12210 Transmission Lines	9,440,559.83	1,015,488.00			10,456,047.83
12305 Sewage Treatment		19,043,844.59			19,043,844.59
12310 Sewage Disposal		2,916,025.88			2,916,025.88
12315 Sewage Collection		10,825,824.92			10,825,824.92
12401 Streetlights				538,837.25	538,837.25
12420 Vehicles	452,218.06	734,283.07	62,108.40		1,248,609.53
12505 Park Improvements			1,404,378.35		1,404,378.35
14001 Constr. In progress	286,218.85	597,458.29	226,445.17		1,110,122.31
Total	16,585,619.16	39,198,246.25	6,857,335.03	538,837.25	63,180,037.69

63,180,037.69

Revenue GL#	FY19-20	FY20-21Budgeted	Total
501-40000	1,378,468.77	1,654,150.00	3,032,618.77
501-40001	2,311,252.96	2,263,591.00	4,574,843.96
551-40002	3,716,614.22	4,004,460.00	7,721,074.22
005-41050	15,250.07	15,000.00	30,250.07
005-47001	97,275.39	98,267.51	195,542.90

15,554,329.92 Calc Total

FY20-21 Total Budgeted Expenditures

8,329,981.00

Fiscal Year Ending: 2019 2020 2021 2022 2023 2024 2025

Mainline Replacement Project Rate stream per 2018 Rate Study (Bd approved Med-option)

Water Fund	950,000.00	880,000.00	840,000.00	950,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Sewer Fund	790,000.00	850,000.00	920,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00

	2021	2022	2023	2024	2025
Initial Draft CIP Schedule for R&R					
Water Fund Tank painting/ maint	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Ramey pump stn upgrades	2,300.00	2,300.00	2,300.00	2,300.00	2,300.00
Sewer Fund Sludge Disposal	240,000.00	240,000.00	240,000.00	240,000.00	240,000.00
Barn/Fence/Hse/Irrig pipes	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00
Solar Proj/	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00
Fischer lift station upgrades	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Misc/Emergency Equip	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00
Streetlights Fund Heavy Equip (Lift)	8,300.00	8,300.00	8,300.00	8,300.00	8,300.00
Inspection	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
LED repairs (10 yr cycle)	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Parks/Rec Major appliance replacemt	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00
Vehicles	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Siding/Flooring replacemt	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Playgrnd Structure repl	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00
Totals	317,600.00	317,600.00	317,600.00	317,600.00	317,600.00

Investment Accounts current balances for Designated Reserves

Checking Account	2021-0430 Bals	Journal Entries	2021-0531 Bal	
999-10011	3,731,836.30			
Checking Account Bal	(2,331,968.03)	(750,000.00)	(3,081,968.03)	
Money Market Bal	6,063,804.33		2,248,053.28	Working Capital Reserves
001-10099	(1,695,260.18)			-45% (160,512.86) net actual cash deficit
004-10099	(913,738.32)			-24% (458,533.98) net actual cash deficit
005-10099	69,237.71			2%
501-10099	2,804,416.50			75%
551-10099	3,622,224.25			97%
901-951-10099	(156,282.55)			-4%
999-10099	(3,731,863.68)			

LAIF Account	2021-0430 Bals	Journal Entries	2021-0531 Bal	(not including interest/ external transactions)
Undesignated 551-10025	138,802.65	(138,802.65)	-	
OPEB Resv Holdg 551-10025-996	-	138,802.65	138,802.65	

County Trust Acct #2260

001-10020	1,470,536.14			
004-10020	455,204.34			
Pension Set-Aside 001-10021-211	64,211.18	-	64,211.18	of this, \$53,216.11 is for FY20-21 PERS-100% funded

		County Trust Acct #4240					
Undesignated	501-10021	840,032.74	(840,032.74)	-			
	551-10021	817,671.11	(817,671.11)	-			
Biosolids Proj	551-10021-554	1,120,499.03	479,999.97	1,600,499.00	-		
OPEB Resv Holdg	501-10021-996	-	840,032.74	840,032.74			
	551-10021-996	-	577,671.11	577,671.11			
		CalTRUST Short-Term					
Undesignated	551-10027-210	23,489.73	-	23,489.73			
		CalTRUST Med-Term Accts					
Pension SetAsides	501-10027-211	126,738.36	(126,738.36)	-		0.477611907	
	551-10027-211	138,620.10	(138,620.10)	-		0.522388093	
				-			
Capacity Fees	501-10027-545	943,124.67	(943,124.67)	-			
	551-10027-545	1,560,836.17	(1,560,836.17)	-			
				-			
Operating Reserve	501-10027-991	209,053.33	(209,053.33)	-	now held in Working Capital		
Catastrophe Resv	501-10027-994	317,818.08	(11,758.58)	306,059.50		0.298100645	
	551-10027-994	748,325.47	(27,686.42)	720,639.05		0.701899355	
				1,026,698.55	316,633.21		
OPEB Resv Holdg	001-10027-996	705,912.83	(547,719.07)	158,193.76		0.32886145	
	501-10027-996	718,807.36	216,058.98	934,866.34		0.334868585	
	551-10027-996	721,815.47	222,780.12	944,595.59		0.336269964	
		2,146,535.66	4,796,087.34	6,942,623.00	4,904,967.31		
PensionResvHoldg	001-10027-997	604,027.84	-	604,027.84		0.312703048	53,216.11
	501-10027-997	633,752.30	(225,276.66)	408,475.64		0.328091295	55,834.90
	551-10027-997	693,853.86	(246,640.65)	447,213.21		0.359205657	61,129.97
				1,459,716.69	653,093.36		
MainlineProjResv	501-10027-998	950,000.00	880,000.00	1,830,000.00			
	551-10027-998	790,000.00	850,000.00	1,640,000.00	1,760,000.00		
			(2,378,614.94)				

**McKinleyville Community Services District
Enterprise Funds Capital Improvement Project Budget
For the Fiscal Years Ending June 30, 2021 - 2030**

(All numbers in \$000s)

Post during

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20

FY19-20

FY20-21

	% Attrib 2 Growth	Beginning Balance	Current Year Adjs	Ending Balance	Capacity Fees or R&R Fund	Future Capacity Fund Total	Post during																				
							June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	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	June 30, 2036	June 30, 2037	June 30, 2038	June 30, 2039	June 30, 2040	
6. Computers, Software & Equipment																											
PCs, Software, & Printers	30%			-	-	8	5	6	5	6	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
File Server Upgrade	30%	0	37,468	37,468	11,240	5			15			17			17			20			20			20		20	20
MOM Upgrade and Replacement - ERP eval	30%			-	-	48			35		125																
Office Equipment	30%			-	-	5	5		5		5	5			5			5			5			5		5	5
GIS/SEMS/CADD Equipment and Software	30%			-	-	4	8		5		5				5			5			5			5		5	5
Totals:					11,240	69	18	6	65	6	136	29	12	7	34	7	12	32	12	7	37	7	37	7	37	37	
7. Reclamation (Fischer & Pialorsi Ranches)																											
Bam. Fence, House Upgrades - Fischer	30%			-	-	11	5	15	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Bam. Fence, House Upgrades - Pialorsi	100%			-	-	140	50	50	20	10	10																
Irrigation Pipe and Fittings	100%			-	-	20		10	10					10							10						
Property purchase	100%			-	-	30	30																				
Reclamation Site Upgrade(tree farm) /Perc Pond Habitat Proj	50%	0	18,440	18,440	9,220	200	200	100	100																		
Underground Valving and Piping - Pialorsi	100%			-	-	62	50		12						12									12	13	12	12
Totals:					9,220	463	335	175	147	15	15	5	5	15	5	5	5	5	5	15	5	5	5	5	5	5	5
8. Small Equipment & Other																											
Misc/ Emergency Equipment Replacement	0%					0	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	17
GPS Surveying Equipment	50%			-	-	10	20				20										20						
Office Emergency Generator						0						22															
Emergency Response Equipment	20%			-	-	2	5			5		5	5		5	5		5			5			5			
Totals:					0	12	40	15	15	15	20	35	42	20	15	20	20	15	40	15	20	15	20	15	16	15	16
Total Planned Expenditures						17,007	6,786	15,999	4,064	6,570	2,988	2,027	2,932	2,120	9,987	2,411	1,890	6,835	1,683	2,286	1,449	3,796	1,367	1,336	1,333	1,566	
Departmental Allocations:																											
Water Fund	0					7,235	1,833	8,662	1,716	3,122	1,114	1,128	1,053	1,143	1,105	1,407	1,053	1,555	1,209	1,706	1,109	1,518	1,079	1,043	1,044	1,175	
Wastewater Fund	1					9,597	4,904	7,338	2,348	3,409	1,874	900	1,879	978	8,882	1,004	837	5,281	474	581	341	2,278	289	293	289	391	
Total Capacity Fees due to Working Capital	1					4,838,374	16,832	6,736	15,999	4,064	6,530	2,988	2,027	2,932	2,120	9,987	2,411	1,890	6,835	1,683	2,286	1,449	3,796	1,367	1,336	1,333	1,566