



**MOUNTAIN HOUSE**  
COMMUNITY SERVICES DISTRICT

**MHCSD Budget Workshop**  
**May 11, 2009**

# Base Line Budget Assumptions

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- Sheriff and Fire Services remain at current level
- Recreation and Special Event Services Budgeted at \$100,000
- Utilities continue to meet State and Federal regulations
- Landscape Maintenance continue at present level
- Minimal developer services budgeted
- Approximately 50 new building permits next year
- Property Assessments reduced another 20% for 2009-10
- Special Tax rate not increased as allowed

# MHCSD Staffing

General Manager	1
Office Manager/Personnel	1
Public Works Manager	1
Engineer III	2
Development Manager	1
O & M Manager	1
Engineering Aide	1
Business Manager	1
Accountant III	1
Accounting Technician	1
District Secretary	1
Office Assistant	1
Engineering Aide P/T as needed	2
Total: 13 FTE compared to 27 in 2008-09	

# Base Line Budget: Operating Funds

	EST. FUND BAL 6/30/09	EST. 2009-10 REVENUE	TRANSFER IN	2009-10 REV & TFR-IN	EST. 2009-10 EXPENSE	TRANSFER OUT	2009-10 EXP & TFR-OUT	EST. FUND BAL 6/30/10
<b>General Fund</b>	<b>3,917,862</b>	2,707,733	23,500	2,731,233	2,615,962	<b>2,737,163</b>	5,353,125	<b>1,295,970</b>
<b>Special Taxes</b>	<b>794,150</b>	4,488,212	3,049,309	7,537,521	5,618,114	2,000,000	7,618,114	<b>713,557</b>
<b>Utilities</b>	-	<b>2,018,067</b>	1,603,996	3,622,063	<b>3,622,063</b>	-	3,622,063	-
<b>Builders Fund</b>	-	60,000	83,858	143,858	143,858	-	143,858	-
<b>Lighting and Landscape Dist</b>	<b>35,925</b>	37,531	-	37,531	21,400	-	21,400	<b>52,056</b>
<b>TOTAL</b>	<b><u>4,747,937</u></b>	9,311,543	4,760,663	14,072,206	12,021,397	4,737,163	16,758,560	<b><u>2,061,583</u></b>

# Summary of Transfers FY 2009-10

## Transfer Out

<b>From General Fund To:</b>	
Utilities	\$1,603,996
Public Safety	\$520,577
Parks, Recreation and Community Facilities	\$528,732
Builders	\$83,858
<b>Total Transfer From GF</b>	<b>\$2,737,163</b>
<b>From Special Tax #1 To:</b>	
Public Safety	\$2,000,000

# Base Line Budget: All Other Funds

	EST. FUND BAL 6/30/09	EST. 2009- 10 REVENUE	TRANSFER IN	2009-10 REV & TFR- IN	EST. 2009- 10 EXPENSE	TRANSFER OUT	2009-10 EXP & TFR- OUT	EST. FUND BAL 6/30/10
<b>Developer Funds</b>	(\$3,424,152)	\$1,110,360	-	\$1,110,360	\$1,110,360	-	\$1,110,360	(\$3,424,152)
<b>Pre- Annexation Dev Funds</b>	(\$665,611)	\$186,000	-	\$186,000	\$186,000	-	\$186,000	(\$665,611)
<b>Impact Fee Funds</b>	\$2,164,994	\$403,500	-	\$403,500	\$184,844	\$23,500	\$208,344	\$2,360,150
<b>Utility Pledged Funds</b>	\$14,182	\$640,000	-	\$640,000	\$640,000	-	\$640,000	\$14,182

# Operating Fund 4 Year Forecast

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
<b><i>Beginning Fund Balance</i></b>	\$4,747,937	\$2,061,583	(\$983,565)	(\$3,843,689)
<b>Revenues</b>	\$9,335,043	\$9,276,784	\$9,769,857	\$10,543,874
<b>Expenditures</b>	\$12,021,397	\$12,321,932	\$12,629,980	\$12,945,730
<b><i>Ending Fund Balance</i></b>	<b>\$2,061,583</b>	<b>(\$983,565)</b>	<b>(\$3,843,689)</b>	<b>(\$6,245,544)</b>
<b>Annual Exp/Rev Shortfall</b>	<b>(\$2,686,354)</b>	<b>(\$3,045,148)</b>	<b>(\$2,860,124)</b>	<b>(\$2,401,856)</b>

# Revenue and Expenditure Assumptions for FY 2010-11 to FY 2012-13 Projection

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## Revenue

Property Taxes: FY 2009-10-- 20% reduction  
FY 2010-11-- 10% reduction  
FY 2011-12-- no change  
FY 2012-13-- 5% increase

Special Taxes : No change in rate

Utility Fees : Inflation rate increase

# Property Tax Cycle and Projected Revenue

Calendar Year of Sale	Projected New Home Sales	Estimated Assessed Value	Assessment Date	Fiscal Year Revenue Received	Estimated MHCSD Property Tax Increase from Sales	Total Property Tax Revenue
2008	291	\$372,000	Jan, 2009	2009-10	<b>\$173,200</b>	\$2,333,600
2009	50	\$335,000	Jan, 2010	2010-11	<b>\$26,800</b>	\$2,173,712
2010	100	\$335,000	Jan, 2011	2011-12	<b>\$53,600</b>	\$2,227,312
2011	200	\$350,000	Jan, 2012	2012-13	<b>\$112,000</b>	\$2,450,678

# Special Tax Cycle and Projected Revenue

Fiscal Year Permit Issued	No. of New Permits	Fiscal Year Revenue Received	Estimated MHCS D Spcl Tax Revenue Increase	Total Spcl Tax Revenue
2009-10	50	2010-11	<b>\$58,000</b>	\$4,546,212
2010-11	100	2011-12	<b>\$116,000</b>	\$4,662,212
2011-12	200	2012-13	<b>\$232,000</b>	\$4,894,212

# Utility Revenue Projection

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	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>	<b>FY 2012-13</b>
Utility Revenue	\$ 2,018,067	\$ 2,047,787	\$ 2,261,744	\$ 2,565,246
New Units		100	200	300

# Revenue and Expenditure Assumptions for FY 2010-11 to FY 2012-13 Projection

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## Expenditures

All expenses increase at average 2.5% annual inflation rate FY 2010-11 through FY 2012-13.

# Operating Fund 4 Year Forecast

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
<b><i>Beginning Fund Balance</i></b>	\$4,747,937	\$2,061,583	(\$983,565)	(\$3,843,689)
<b>Revenues</b>	\$9,335,043	\$9,276,784	\$9,769,857	\$10,543,874
<b>Expenditures</b>	\$12,021,397	\$12,321,932	\$12,629,980	\$12,945,730
<b><i>Ending Fund Balance</i></b>	<b>\$2,061,583</b>	<b>(\$983,565)</b>	<b>(\$3,843,689)</b>	<b>(\$6,245,544)</b>
<b>Annual Exp/Rev Shortfall</b>	<b>(\$2,686,354)</b>	<b>(\$3,045,148)</b>	<b>(\$2,860,124)</b>	<b>(\$2,401,856)</b>

# Additional Board Alternatives

Modify Valley Crest Landscape Contract & West Valley Refuse Franchise	\$87,700
Modify Southwest Water Contract	Additional \$20,000
Don't Add Sheriff Sergeant Position	\$244,988
Increase Special Tax Rate the allowed 4%	\$176,568

# Operating Fund 4 Year Forecast: Impact of Cost Saving Alternatives

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
<b>Beginning Fund Balance</b>	\$4,747,937	\$2,590,839	\$267,396	(\$1,671,008)
<b>Revenues</b>	\$9,511,611	\$9,636,983	\$10,321,033	\$11,293,666
<b>Expenditures</b>	\$11,668,709	\$11,960,427	\$12,259,437	\$12,565,923
<b>Ending Fund Balance</b>	\$2,590,839	\$267,396	(\$1,671,008)	(\$2,943,266)
<b>Annual Exp/Rev Shortfall</b>	(\$2,157,098)	(\$2,323,443)	(\$1,938,405)	(\$1,272,258)

# Sample Core Expenditures/Revenue

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Expenditures				
Sheriff, Fire, Utilities, Current Staff, Lighting District & Permits	\$9,233,291	\$9,464,123	\$9,700,726	\$9,943,245
Revenue	\$9,335,043	\$9,276,784	\$9,769,857	\$10,543,874
Surplus/Deficit	\$101,752	<b>(\$187,339)</b>	\$69,131	\$600,629

# What is NOT in the Sample Core Budget

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- Street Lighting
- Traffic Signals
- Road Maintenance
- Landscape Maintenance
- Recreation
- Administrative Materials and Supplies
- Tax, Accounting, Investing and I.T. Services Charges by the County
- Legal Services
- Insurance



MOUNTAIN HOUSE  
COMMUNITY SERVICES DISTRICT

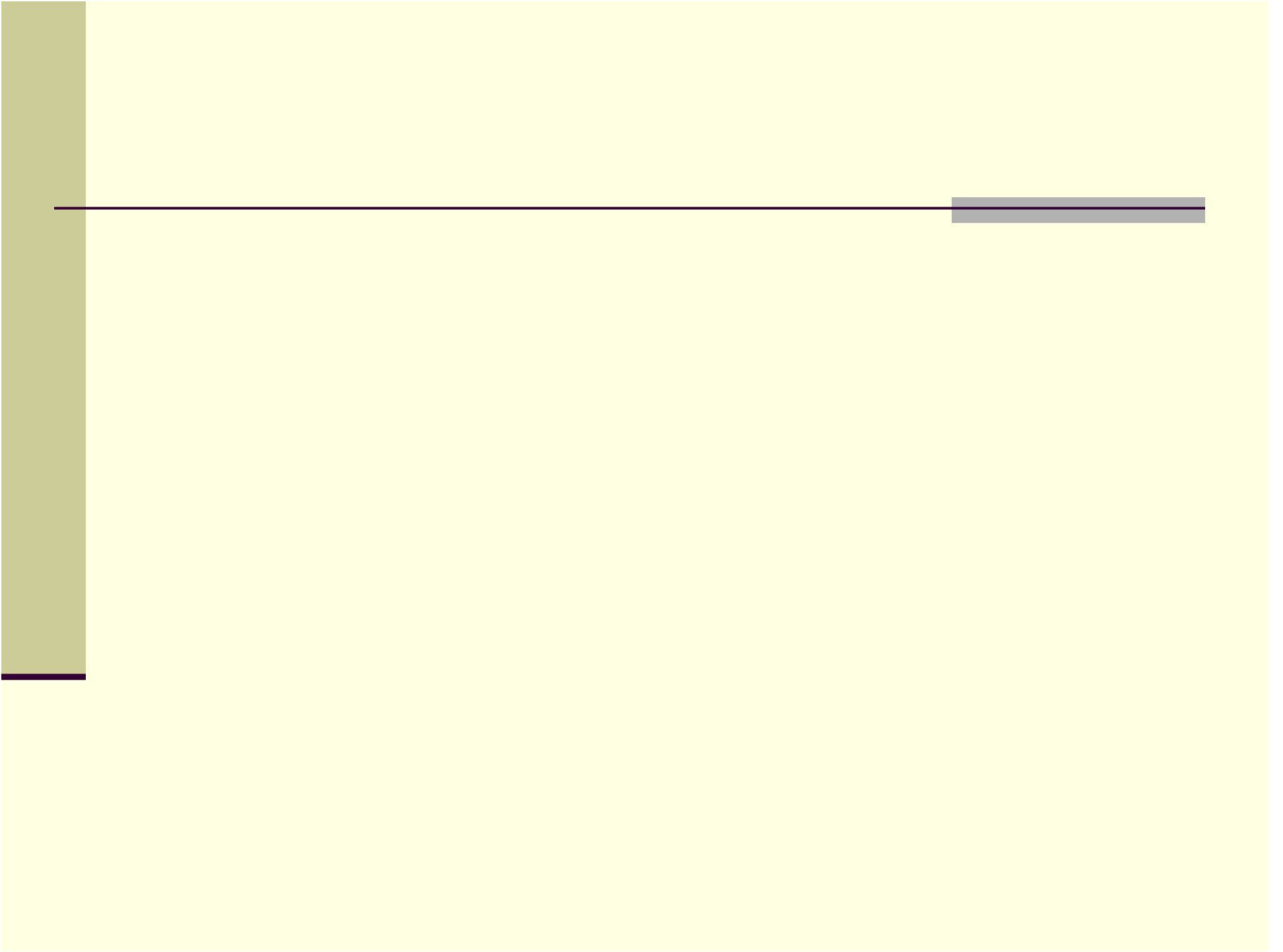
# MHCSD Budget Workshop

# General Fund Expenditure Overview

	2008-09	2009-10	DIFFERENCE
SALARIES & BENEFITS	2,970,413	1,907,358	(1,063,055)
OFFICE EXPENSES	127,900	70,643	(57,257)
COMMUNICATIONS	50,500	49,200	(1,300)
VEHICLE GAS & UPKEEP	20,000	6,500	(13,500)
LEASES- EQUIPMENT/COPIER	28,300	12,500	(15,800)
TRANSPORTATION/TRAIN ING	18,700	11,000	(7,700)
COUNTY CHARGES	278,288	425,165	146,877
SMALL EQUIPMENT/EQUIPMENT	114,000	7,500	(106,500)
PROFESSIONAL SERVICES	265,300	269,840	4,540
PLAN CHECKING/ENGINEERING	100,000	-	(100,000)

# General Fund Expenditure Overview

	2008-09	2009-10	DIFFERENCE
TECHNOLOGY/WEB/GIS	189,900	15,800	(174,100)
LEGAL SERVICES	65,000	145,000	80,000
ASSORTED SMALL EXPENSES	37,250	6,566	(30,684)
ELECTRICITY	16,000	21,000	5,000
MAINTENANCE	5,000	500	(4,500)
RENT	545,937	547,037	1,100
TOTAL	4,832,488	3,495,609	(1,336,879)
Reimbursed Labor/Overhead Costs	(3,331,436)	(879,647)	2,451,789
OPERATING BUDGET	1,501,052	2,615,962	1,114,910
OPERATING TRANSFER OUT	3,200,000	2,737,163	(462,837)
TOTAL BUDGET	4,701,052	5,353,125	652,073



# Operating Fund 4 Year Forecast: Impact of Cost Saving Alternatives V1

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
<b>Beginning Fund Balance</b>	\$4,747,937	\$2,483,139	\$49,304	<b>(\$2,002,253)</b>
<b>Revenues</b>	\$9,511,611	\$9,636,983	\$10,321,033	\$11,293,666
<b>Expenditures</b>	\$11,776,409	\$12,070,819	\$12,372,590	\$12,681,904
<b>Ending Fund Balance</b>	\$2,483,139	\$49,304	<b>(\$2,002,253)</b>	<b>(\$3,390,492)</b>
<b>Annual Exp/Rev Shortfall</b>	<b>(\$2,264,798)</b>	<b>(\$2,433,836)</b>	<b>(\$2,051,557)</b>	<b>(\$1,388,239)</b>

# Detail of Sample Core Expenditures/Revenue

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
<b>Expenditures</b>				
<b>Sheriff</b>	1,140,612	1,169,127	1,198,355	1,228,314
<b>Fire</b>	2,398,000	2,457,950	2,519,399	2,582,384
<b>Utilities</b>	3,622,063	3,712,615	3,805,430	3,900,566
<b>Lighting and Landscape Dist</b>	21,400	21,935	22,483	23,045
<b>Builders Permit and Inspection</b>	143,858	147,454	151,141	154,919
<b>Staff and Board</b>	1,907,358	1,955,042	2,003,918	2,054,016
<b>Total Expenditures</b>	9,233,291	9,464,123	9,700,726	9,943,245
<b>Revenue</b>	9,335,043	9,276,784	9,769,857	10,543,874
<b>Surplus/Deficit</b>	\$101,752	<b>(\$187,339)</b>	\$69,131	\$600,629

# Sheriff Services Cost

	<b>Annual Cost For Each</b>	<b>Number</b>	<b>Total Annual Cost</b>
15 Year Amortization of Original Startup Costs			\$33,146
Sheriff Deputies	\$153,797	6	\$922,782
Overtime	\$30,780	6	\$184,680
Sergeant	\$204,320	1	\$204,320
Overtime	\$40,669	1	\$40,669
<b>Total</b>			<b>\$1,385,597</b>

# Change in Assessed Value

Year	Total Assessed Value	Taxable SFDU	Assessed Value SFDU	AV per Dwelling Unit	% Change	AV Non Residential	% Change
2005	619,077,015	944	411,768,527	436,195		207,308,488	
2006	1,373,190,755	1284	689,947,682	537,342	23.2%	683,243,073	229.6%
2007	1,702,893,665	1893	1,064,593,678	562,384	4.7%	638,299,987	-6.6%
2008	1,685,173,852	2499	1,160,986,537	464,580	-17.4%	524,187,315	-17.9%