

Diablo Community Services District
Budget Assumptions
FY 2020-21

The DCSD is a Calif Special District responsible for providing security and maintain roads, bridges and culverts within Diabl
The District is able to provide these services with funding from ad valorem (property tax) revenue collected by the County
and Measure B Special Tax funds that were approved by 2/3rds of the voters of Diablo in March 2018

Revenue

Ad Valorem - The Covid crisis is expected to put pressure on property values and ad valorem tax revenue so we have lowered the future growth of ad valorem tax revenue from 3% to 2%. Over the past 5 years the ad valorem revenue increases averaged 6% however during the 2008 recession we saw ad valorem tax revenue decrease by 1%.

Special Tax - The Special Tax rate has a built-in cola of 3%. We do not intend to reduce the annual increase due to the Covid crisis because our security and road costs will continue to rise and if property values decrease this revenue will be critical to balance the District's budget.

Security

District security is provided by the Contra Costa Sheriff's Department.

1 full-time deputy at 40 hours a week with a 5% annual cost increase.

20 hours of overtime monthly from March through September to enforce stop sign adherence.

Replace cruiser in Spring 2022. Current cruiser purchased in Spring 2016.

Roads, Culverts & Bridges

In the summer of 2020 we will grind and pave all remaining roads within the District (Palma Vista, Calle Los Callados, Canada Via, El Centro, Verde Del Ciervo, Bella Vista, Calle Del Casarillo, Campo Pelota, El Nido Ct and Club House Rd) except for upper Alameda Diablo, which will be ground and paved in FY22. The cost of the grind and pave and the oversight of the work is anticipated to be \$600k.

In the fall of 2020 we will line and repair those culverts that are at greatest risk of failure at a cost of \$185k.

In the spring of 2021 we will reinforce the two wood bridges at a cost of 35k.

In July 200 we will repair the Kay Trail retaining wall and perform other much needed maintenance to increase trail safety for a cost of \$8k.

Perform storm patrols and emergency repairs as needed.

Professional

Project 30 hours of general manager hours a month and 15 hours of General Counsel a month at a cost of \$3k and \$4.5K, respectively. No new litigation anticipated. Existing litigation is covered by insurance carrier, except for General Counsel.

We renegotiated our audit contract with Eide Bailly and reduced the audit cost from \$10.4k to \$9.6k for FY20, 21 and 22. In exchange for the cost reduction we agreed to have the audit performed in January and the audit report submitted to the Board in February.

Other professional expenses consist of an accountant at \$300 per month, CSDA membership at a cost of \$2,000 annually and LAFCO fees of \$450 annually.

Insurance program is projected to change July 1st from a multiple commercial carrier format at a cost of \$18k (which we anticipate to jump significantly at renewal and we anticipate having to find a new GL carrier in October) to a joint powers' authority 3-yr program at a cost of \$19k per year. We are in negotiations with GSRMA (Golden State Risk Management Authority) to become a member.

Software consists of QuickBooks and GoDaddy domain, website and email products and annual costs run between 1k and 2k depending on contract length.

Administration

Administrative expenses include storage unit rental, PO box rental and annual vegetation notice. Budget figures are consistent with 2020 actual expense.

Cash

Cash balances at the end of fiscal year 2020 and 2021 will be approx. \$988k and \$480k. The District's goal is to maintain a cash balance of at least \$500K to be able to respond to any road, bridge or culvert emergency repair or additional security needs.

Diablo Community Services District
2020-21 Draft Budget

July 1st thru June 30th	2021 Budget					Actual/Est 2019-2020	Actual 2018-2019	Actual 2017-2018
	Q1	Q2	Q3	Q4	YTD			
Income Statement								
Revenue								
Ad Valorem Tax	0	270,300	0	221,155	491,455	480,342	468,755	444,570
Special Tax	0	165,541	0	135,443	300,984	292,607	283,709	244,460
Traffic Fines	1,000	1,000	1,000	1,000	4,000	4,095	3,001	1,729
Other Income	0	0	0	0	0	-	-	-
Interest Income	0	0	0	0	0	32	19	55
Total Revenue	1,000	436,841	1,000	357,597	796,438	777,076	755,484	690,814
Expenses-Recurring								
Security								
Security / Sheriff	86,160	81,000	82,720	86,160	336,040	302,730	299,689	373,557
Auto Repairs					0			-
Other (office computer/cell)	0	0	2,500	0	2,500	-	1,191	-
Total Security	86,160	81,000	85,220	86,160	338,540	302,730	300,880	373,557
Road Maintenance								
Road Maintenance	600,000	0	0	0	600,000	15,193	8,945	9,004
Bridge-Culvert Maintenance	0	185,000	0	35,000	220,000	41,612		2,180
Bridge Engineering/Consulting	0	0	0	0	0			-
Storm Patrol & Emerg Response	0	3,000	2,000	0	5,000	2,640	7,428	1,766
Trail Maintenance	8,000	0	0	0	8,000	-	1,200	2,464
Total Road Maintenance	608,000	188,000	2,000	35,000	833,000	59,445	17,573	15,414
Professional								
General Manager	9,000	9,000	9,000	9,000	36,000	18,225	25,366	24,750
Legal	13,500	13,500	13,500	13,500	54,000	(236,016)	247,437	227,670
Audit	0	0	9,600	0	9,600	9,900	9,900	9,250
Other Professional	1,350	3,200	900	900	6,350	6,532	5,018	8,842
Software	120	1,010	0	0	1,130	1,880		
County/State Notices and Fees	0	0	860	50	910	-	832	162
Insurance	20,000	0	0	0	20,000	18,269	16,238	20,591
Total Professional	43,970	26,710	33,860	23,450	127,990	(181,210)	304,791	291,265
Administrative								
Administrative	150	0	50	1,900	2,100	119	1,628	2,161
Depreciation	2,266	2,141	2,141	2,141	8,688	8,732	9,063	9,063
Miscellaneous	0	2,750	0	0	2,750	2,445	3,070	3,851
Total Administrative	2,416	4,891	2,191	4,041	13,538	11,296	13,761	15,075
Total Recurring Expenses	740,546	300,601	123,271	148,651	1,313,068	192,261	637,005	695,311
Net Income	(739,546)	136,240	(122,271)	208,946	(516,630)	584,815	118,479	(4,497)
Capital Reserves								
New Sheriff Cruiser reserve	3,000	3,000	3,000	3,000	12,000			
Culvert Reserve	0	20,000	0	10,500	30,500			
Reserve for Bridge Replacement	15,000	15,000	15,000	15,000	60,000			
Total Capital Reserves	18,000	38,000	18,000	28,500	102,500			
Ending Cash Position	250,732	389,113	268,983	480,070	480,070			

Diablo Community Services District
7 Year Budget
FY 2021-2027

		Actual/Est	Budget						
		2020	2021	2022	2023	2024	2025	2026	2027
Beginning Cash Position		394,465	988,012	480,071	250,151	530,884	584,094	636,128	660,169
Cash Source									
	AD Valorem Tax 2%	480,342	491,455	501,284	511,309	521,536	531,966	542,606	553,458
	Special Tax 3%	292,607	300,984	310,013	319,314	328,893	338,760	348,923	359,390
	Traffic Fines	4,095	4,000	1,200	1,200	1,200	1,200	1,200	1,200
	Interest	32	-	-	-	-	-	-	-
	Total Revenue	777,076	796,438	812,497	831,823	851,629	871,926	892,728	914,048
Cash Use									
	Sheriff Security 5%	302,730	338,540	355,467	373,240	391,902	411,497	432,072	453,676
	Other	-	-	-	-	-	-	-	-
	Road Maintenance	15,193	600,000	475,000	25,000	250,000	250,000	275,000	275,000
	Bridge-Culvert Maintenance	41,612	220,000	-	-	-	-	-	-
	Storm Patrol & Emerg Response	2,640	5,000	6,000	6,000	7,000	7,000	8,000	8,000
	Trail Maintenance	-	8,000	5,000	5,000	5,000	5,000	5,000	5,000
	General Manager *	18,225	36,000	36,000	36,000	36,000	36,000	36,000	36,000
	Legal *	(236,016)	54,000	56,000	60,000	60,000	60,000	60,000	60,000
	Audit 3%	9,900	9,600	9,600	9,600	9,888	10,185	10,490	10,805
	Other Professional *	6,532	6,350	5,000	6,000	6,000	7,000	7,000	7,000
	Software *	1,880	1,130	2,000	1,000	2,500	1,000	2,000	1,000
	County/State Notices and Fees *	-	910	150	1,000	175	1,100	200	1,200
	Insurance 5%	18,269	20,000	21,000	22,050	23,153	24,310	25,526	26,802
	Administrative *	119	2,100	2,200	2,200	2,300	2,300	2,400	2,400
	Miscellaneous *	2,445	2,750	4,000	4,000	4,500	4,500	5,000	5,000
	Total Costs	183,529	1,304,380	977,417	551,090	798,418	819,892	868,688	891,883
Change in Position		593,547	(507,941)	(164,920)	280,733	53,211	52,034	24,040	22,165
New Vehicle				65,000					
Ending Cash Position		988,012	480,071	250,151	530,884	584,094	636,128	660,169	682,334