

# ROSSMOOR

COMMUNITY SERVICES DISTRICT



## Regular Meeting of the Board

Agenda Package

**October 13, 2015**

BOARD OF DIRECTORS

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AGENDA  
BOARD OF DIRECTORS  
ROSSMOOR COMMUNITY SERVICES DISTRICT

**REGULAR MEETING**

RUSH PARK  
3021 Blume Drive  
Rossmoor, California

**Tuesday, October 13, 2015**

**7:00 p.m.**

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*This agenda contains a brief description of each item to be considered. Except as provided by law; no action shall be taken on any item not appearing in the agenda. To speak on an item, complete a Speaker Request Form(s) identifying the item(s) and topic and deposit it in the speaker request box. To speak on a matter not appearing in the agenda, but under the jurisdiction of the Board of Directors, you may do so during Public Comments at the beginning of the meeting. Speaker request forms must be deposited prior to the beginning of Public Comments. When addressing the Board, it is requested that you state your name for the record. Address the Board as a whole through the President. Comments to individual Directors or staff are not permitted. Speakers are limited to three (3) minutes per item with nine (9) minutes cumulative for the entire meeting. Supporting documentation is available for review in the Rush Park main office, 3001 Blume Drive, Rossmoor, 90720—9:00 am - 5:00 pm, Monday-Friday. The Agenda is available online at: <http://www.rossmoor-csd.org>. Meetings are broadcast live on LATV-3 and may also be viewed on Vimeo.com or on our website at <http://www.rossmoor-csd.org>.*

**A. ORGANIZATION**

1. CALL TO ORDER: 7:00 p.m.
2. ROLL CALL: Directors Burgess, Casey, DeMarco, Maynard  
President Kahlert
3. PLEDGE OF ALLEGIANCE
4. PRESENTATIONS
  - a. Dr. Sherry Kropp, Superintendent, Dr. Jeffrey M. Barke, Board Member and Ms .Diana D. Hill, Board Member, Los Alamitos Unified School District re: School Related Traffic Issues.
  - b. O.C. Sheriff Captain Bob Peterson re: Public Safety Update.

**B. ADDITIONS TO AGENDA – None**

*In accordance with Section 54954 of the Government Code (Brown Act), action may be taken on items not on the agenda, which was distributed, if:*

*A majority of the Board determines by formal vote that an emergency exists per Section 54956.5 (for example, work stoppage or crippling disaster which severely impairs public health and/or safety); or*

*Two-thirds (2/3) of the Board formally votes or, if less than 2/3 of members are present, all of the Board members present vote, that there is a need to take immediate action, which arose after the agenda was posted.*

**C. PUBLIC FORUM**

Any person may address the Board of Directors at this time upon any subject within the jurisdiction of the Rossmoor Community Services District; however, any matter that requires action may be referred to Staff at the discretion of the Board for a report and action at a subsequent Board meeting.

**D. REPORTS TO THE BOARD**

1. REPORT OF THE AUDIT COMMITTEE RE: POSSIBLE EARLY RETIREMENT OF ROSSMOOR WALL CERTIFICATES OF PARTICIPATION.
2. REPORT OF THE GENERAL MANAGER RE: WATER USAGE REDUCTION IN RUSH AND ROSSMOOR PARKS.

**E. CONSENT CALENDAR**

1. MINUTES.
  - a. Regular Board Meeting of September 8, 2015.
  - b. Special Meeting of September 8, 2015
2. AUGUST REVENUE AND EXPENDITURE REPORT.

*Consent items are expected to be routine and non-controversial, to be acted upon by the Board of Directors at one time. If any Board member requests that an item be removed from the Consent Calendar, it shall be removed by the President so that it may be acted upon separately.*

**F. PUBLIC HEARING-None.**

**G. RESOLUTIONS-None**

**ORDINANCES-None**

**H. REGULAR CALENDAR**

1. APPROVAL OF FY 2014-2015 ANNUAL INDEPENDENT AUDITOR'S REPORT.
2. AMENDMENT OF FEE SCHEDULE RE: FEES—FOR PROFIT USE OF PARKS.
3. RHA REQUEST FOR DISTRICT COSPONSORSHIP OF THE 2016 ROSSMOOR COMMUNITY FESTIVAL.
4. DISCUSSION AND POSSIBLE ACTION RE: REPORT OF THE ROSSMOOR ADVISORY COMMITTEE RE: LATENT POWERS.

**I. GENERAL MANAGER ITEMS**

*This part of the Agenda is reserved for the General Manager to provide information to the Board on issues that are not on the Agenda, and/or to inform the Board that specific items may be placed on a future Agenda. No Board action may be taken on these items that are not on the Agenda.*

**J. BOARD MEMBER ITEMS**

*This part of the Agenda is reserved for individual Board members briefly to make general comments, announcements, reports of his or own activities, and requests of staff, including that specific items be placed on a future Agenda. The Board may not discuss or take action on items not on the Agenda.*

**K. CLOSED SESSION-None**

## **ADJOURNMENT**

*It is the intention of the Rossmoor Community Services District to comply with the Americans With Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the District will attempt to accommodate you in every reasonable manner.*

*Please contact the District Office at (562) 430-3707 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.*


*Pursuant to Government Code Section 54957.5, any writing that: (1) is a public record; (2) relates to an agenda item for an open session of a regular meeting of the Board of Directors; and (3) is distributed less than 72 hours prior to that meeting, will be made available for public inspection at the time the writing is distributed to the Board of Directors.*

*Any such writing will be available for public inspection at the District offices located at [3001 Blume Drive, Rossmoor, CA 90720](#). In addition, any such writing may also be posted on the District's web site at [www.rossmoor-csd.org](http://www.rossmoor-csd.org).*

**CERTIFICATION OF POSTING**

I hereby certify that the attached Agenda for the October 13, 2015, 7:00 p.m. Regular Meeting of the Board of Directors of the Rossmoor Community Services District was posted at least 72 hours prior to the time of the meeting.

ATTEST:

  
\_\_\_\_\_  
JAMES D. RUTH  
General Manager

Date October 6, 2015

**ROSSMOOR COMMUNITY SERVICES DISTRICT**

**AGENDA ITEM A-4a and A-4-b**

**Date:** October 13, 2015  
**To:** Honorable Board of Directors  
**From:** General Manager  
**Subject:** PRESENTATIONS FOR MEETING OF OCTOBER 13, 2015

**RECOMMENDATION:**

Receive presentations.

**BACKGROUND:**

The report reflects the order of presentations for your Regular October Meeting of the Board.

- a. Dr. Sherry Kropp, Superintendent; Dr. Jeffrey Barke and Ms. Diana Hill, Board Members Los Alamitos Unified School District re: School Related Traffic Issues.
- b. O.C. Sheriff Captain Bob Peterson re: Public Safety Update.

**ATTACHMENTS**-None

**ROSSMOOR COMMUNITY SERVICES DISTRICT**

**AGENDA ITEM D-1**

**Date:** October 13, 2015  
**To:** Honorable Board of Directors  
**From:** Audit Committee  
**Via:** General Manager  
**Subject:** POSSIBLE EARLY RETIREMENT OF SIGNATURE WALL  
CERTIFICATES OF PARTICIPATION

**RECOMMENDATION:**

Receive the recommendation of the Audit Committee to refer the matter to the Board to discuss the wisdom of using Fund 30 Rossmoor Wall reserve funds for early retirement of debt.

**BACKGROUND:**

The Audit Committee met on September 29, 2015 to discuss the District's June 30, 2015 Independent Auditor's Report. The Committee's recommendation for Board approval of the Report follows as Agenda Item H-1 further in this Agenda.

As a part of the staff's report to the Committee, there was a discussion on the possible early retirement of the Fund 30 Rossmoor Wall Certificates of Participation (COPs) in 2016. The Committee debated the options of retiring the debt early or continuing with the current payment schedule ending in 2017.

If the debt were to be retired normally in 2017, there would be a remaining balance of \$162,624 which in accordance with the Installment Sales Agreement could be used for any lawful purpose of the District. The more obvious use of these funds would be for future maintenance and repair of the wall. In 2015, the Board authorized the transfer of \$70,000 to Fund 40 for wall repairs thus setting a precedent for using excess reserve funds in this manner.



If the debt were to be retired early in February of 2016, the remaining fund balance would be reduced to \$84,237. This would save each Rossmoor homeowner \$24.00 per parcel, but reduce monies available for maintenance and repairs by an amount of \$78,297 (\$ 162,624 - \$84,237).

The Committee's deliberation on the two options did not result in a decision; rather the Committee voted to bring the matter to the whole Board for a discussion at the October Board meeting with the matter being decided at the November Board meeting.

The question centered on the relative benefit to the individual homeowner in comparison with the District's ongoing responsibility for future maintenance and repair of the Wall. It should be noted that the District recently replaced one panel of the Wall at a cost of approximately \$30,000. There are a total of 235 panels on the wall with varying degrees of damage, but none as severe as the panel which was replaced.

Another factor considered by the Committee is the financial state of Fund 40 for capital projects. There is no future dedicated revenue for future capital projects. Therefore, if major repairs of the Wall were to be needed, the excess reserve amounts of either \$162,624 or \$84,237 would be the only available funds for its repair and maintenance. Any amount needed above one or the other amounts would have to be allocated from the District's operating budget, Fund 10 or reserves.

Moreover, the Installment Sales Agreement (attached) provides for the use of excess reserve amounts for any lawful purpose. Thus, if funds were not needed for repair and maintenance of the wall, these monies could be used for other capital projects as authorized by the Board. For example, the Committee expressed concerns about the potential cost of the future repairs for the Rush Park parking lot which would likely require debt financing for the project.

Citizen input centered on the interest earned on the required and excess reserve being held by U.S. Bank and LAIF and the interest being paid on the debt service for the COPs. Further, it was stated that the District had an obligation to the taxpayers to only collect what was needed to pay for COP's. The Committee countered that the taxpayers had approved the purchase of the COPs based on the current payment schedule in the debt covenants.

Since this Agenda Item is a Report to the Board, no action can be taken during this meeting. The Committee is recommending that a final decision be deferred until the November Board meeting.

**ATTACHMENTS:**

1. Installment Sales Agreement dated May 1, 1998.
2. Fund 30 Rossmoor Wall Early Pay Off Worksheet.

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**INSTALLMENT SALE AGREEMENT**

**Dated as of May 1, 1998**

**by and between the**

**ROSSMOOR COMMUNITY SERVICES PUBLIC IMPROVEMENTS  
FINANCING CORPORATION, as Seller**

**and the**

**ROSSMOOR COMMUNITY SERVICES DISTRICT, as Purchaser**

**\$1,050,000  
Certificates of Participation  
(1998 Rossmoor Wall Project)**

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any cause, including, without limiting the generality of the foregoing, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Project, the taking by eminent domain of title to or temporary use of any or all of the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either thereof or any failure of the Corporation or the Trustee to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Trust Agreement, the Assignment Agreement or this Installment Sale Agreement.

Nothing contained in this Section 4.05 shall be construed to release the Corporation from the performance of any of the agreements on its part herein contained, and in the event the Corporation shall fail to perform any such agreements on its part, the District may institute such action against the Corporation as the District may deem necessary to compel performance so long as such action does not abrogate the obligations of the District contained in the first sentence of the preceding paragraph. The District may, however, at the District's own cost and expense and in the District's own name or in the name of the Corporation prosecute or defend any action or proceeding or take any other action involving third persons which the District deems reasonably necessary in order to secure or protect the District's right of possession, occupancy and use hereunder, and in such event the Corporation hereby agrees to cooperate fully with the District and to take such action necessary to effect the substitution of the District for the Corporation in such action or proceeding if the District shall so request.

Section 4.06. Pledge of Special Tax Revenues; Deposits to Pay Installment Payments; Release from Lien.

(a) *Pledge of Special Tax Revenues.* The District hereby agrees that the payment of the Installment Payments shall be secured by a pledge, charge and first and prior lien upon Special Tax Revenues, and Special Tax Revenues sufficient to pay the Installment Payments as they become due and payable are hereby pledged, charged, assigned, transferred and set over by the District to the Corporation and its assigns for the purpose of securing payment of the Installment Payments. The Special Tax Revenues shall constitute a trust fund for the security and payment of the Installment Payments.

(b) *Transfer to Pay Installment Payments.* In order to provide for the payment of Installment Payments when due, the District shall, on or before each Installment Payment Date, transfer to the Trustee for deposit into the Installment Payment Fund the amount indicated in Exhibit C attached hereto as required for the next occurring Installment Payment Date. Notwithstanding Exhibit C attached hereto, the District shall be

obligated to make Installment Payments sufficient to pay all principal and interest due with respect to the Certificates.

(c) *Release from Lien.* Following the transfer described in paragraph (b) of this Section 4.06 with respect to the August 1 Installment Payment Date, Special Tax Revenues in excess of amounts required for the payment of Installment Payments and for the replenishment of the Reserve Fund, in that Certificate Year shall be released from the lien of this Installment Sale Agreement and shall be available for any lawful purpose of the District.

Section 4.07. Limitations on Future Obligations Secured by District Revenues.

(a) *No Obligations Superior to Installment Payments.* In order to protect further the availability of the Special Tax Revenues and the security for the Installment Payments the District hereby agrees that the District shall not, so long as any Certificates are outstanding, issue or incur any obligations payable from Special Tax Revenues superior to or on a parity with the Installment Payments.

(b) *Subordinate Debt.* The District may issue or incur Subordinate Debt so long as it is not in default hereunder.

Section 4.09. Additional Payments. In addition to the Installment Payments, the District shall pay, from Special Tax Revenues, when due, all costs and expenses incurred by the Corporation to comply with the provisions of the Trust Agreement and this Installment Sale Agreement, including, without limitation all Delivery Costs (to the extent not paid from amounts on deposit in the Delivery Costs Fund), compensation due to the Trustee for its fees, costs and expenses incurred under the Trust Agreement and the Assignment Agreement, compensation due to the Corporation for its fees, costs and expenses incurred under the Trust Agreement and all costs and expenses of attorneys, auditors, engineers and accountants.

Section 4.10. Payments to Reserve Fund. In addition to the Installment Payments, the District shall pay to the Trustee, from Special Tax Revenues, such amounts as shall be required to replenish the Reserve Fund in the event of a draw therefrom or a valuation determines that a deficiency exists therein, all in accordance with Section 6.06 of the Trust Agreement.

**Fund 30 Rossmoor Wall  
Early Pay Off**

<b>Current Payment Schedule:</b>			
(Beginning Fund Balance for Fund 30 \$109,390)			
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
February 1, 2016		\$4,495	\$4,495
August 1, 2016	\$75,000	\$4,495	\$79,495
February 1, 2017		\$2,320	\$2,320
August 1, 2017	\$80,000	\$2,320	\$82,320
Total Due August 1, 2017	\$155,000	\$13,630	\$168,630
<hr/>			
Scheduled Payment August 1, 2017			\$168,630
Early Pay off 2/1/2016	\$155,000	\$4,495	(\$159,495)
		(Note: Interest Saving )	\$9,135
<b>Early Pay Off February 1, 2016:</b>		<b>\$159,495</b>	
Reserve in US Bank be used in payoff	\$47,000		
Left to Pay		\$112,495	
Additional Assessment 2015-2016	\$87,432		
Remaining Left To Pay		\$25,063	
Required to withdraw from Fund 30 Fund Balance	\$25,063		
2015-2016 Beginning Fund Balance/Fund 30			\$109,390
Minus required amount to withdraw from Fund 30 Fund Balance			(\$25,063)
<b>Ending Fund 30 Balance available for Wall Repair</b>			<b>\$84,327</b>
<hr/>			
<b>Scheduled Payment August 1, 2017:</b>		<b>\$168,630</b>	
Reserve in US Bank be used in payoff	\$47,000		
Left to Pay		\$121,630	
Additional Assessment 2015-2016 for pay off	\$87,432		
Left To Pay (including \$9,135 interest)		\$34,198	
Additional Assessment 2016-2017	\$87,432		
Excess Assessments		\$53,234	
2015-2016 Beginning Fund Balance/Fund 30			\$109,390
Excess Assessments			\$53,234
<b>Ending Fund 30 Balance available for Wall Repair</b>			<b>\$162,624</b>

**ROSSMOOR COMMUNITY SERVICES DISTRICT**

**AGENDA ITEM D-2**

**Date:** October 13, 2015  
**To:** Honorable Board of Directors  
**From:** General Manager  
**Subject:** WATER REDUCTION USAGE IN RUSH AND ROSSMOOR PARKS

**RECOMMENDATION:**

Receive the report.

**BACKGROUND:**

Since the inception of the drought, the General Manager has provided the Board with reports on water reduction usage and the methods for that reduction. Attached is the 2013-2015 Water Usage Reduction Table which compares both usage and the cost of water over the three-year reporting period. The Water District's mandatory requirement for decreased water consumption started in 2015 with a minimum 16% reduction from the calendar year 2013. The chart shows months from January through August for each year starting in 2013.

The table clearly demonstrates that the District has aggressively implemented water reduction measures to achieve the stated results. Water and cost reduction percentages for Rush Park are 48.2% and 40.4%, respectively. The figures for Rossmoor Park are 52.6% and 46.4%, respectively. The combined figures for both parks from January through August 2015 are reductions of (50.8%) 6,519 CCF's and (43.9%) \$21,798. One CCF equals 748 gallons.

The District is the process of upgrading its irrigation system and landscape. Staff is also in the process of applying for available grants for partial reimbursement of the cost of these measures. The Board will receive future updates as new information becomes available.

**ATTACHMENTS:**

1. 2013 - 2015 Water Usage Reduction Table.

**2013- 2015 Water Usage (January through August)  
Reduction in Costs and Usages in 2015 from 2013**

Rossmoor Park:	January		February		March		April		May		June		July		August		YTD Total	
	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$
<b>2013</b>	215	\$799	450	\$1,669	659	\$2,298	702	\$2,374	1249	\$4,184	1265	\$5,165	1442	\$5,886	1660	\$6,724	<b>7642</b>	<b>\$29,099</b>
<b>2014</b>	553	\$2,419	600	\$2,596	357	\$1,683	645	\$2,800	1053	\$4,484	1069	\$4,522	1394	\$5,857	1276	\$5,393	<b>6947</b>	<b>\$29,754</b>
<b>2015</b>	328	\$1,552	296	\$1,401	562	\$2,325	817	\$3,224	579	\$2,385	236	\$1,175	440	\$1,894	366	\$1,633	<b>3624</b>	<b>\$15,589</b>
<b>2015 vs. 2013 Water Usage</b>	113	\$753	(154)	(\$268)	(97)	\$27	115	\$850	(670)	(\$1,799)	(1029)	(\$3,990)	(1002)	(\$3,992)	(1294)	(\$5,091)	<b>(4018)</b>	<b>(\$13,510)</b>
<b>2015 vs. 2013 Percentage</b>	52.6%	94.2%	-34.2%	-16.1%	-14.7%	1.2%	16.4%	35.8%	-53.6%	-43.0%	-81.3%	-77.3%	-69.5%	-67.8%	-78.0%	-75.7%	-52.6%	-46.4%
Rush Park:	January		February		March		April		May		June		July		August		YTD Total	
	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$
<b>2013</b>	339	\$1,316	343	\$1,348	499	\$1,820	529	\$1,873	651	\$2,339	765	\$3,198	815	\$3,476	1253	\$5,159	<b>5194</b>	<b>\$20,529</b>
<b>2014</b>	395	\$1,826	461	\$2,074	1118	\$4,541	1494	\$6,034	310	\$1,562	651	\$2,887	400	\$1,925	991	\$4,265	<b>5820</b>	<b>\$25,114</b>
<b>2015</b>	173	\$1,005	127	\$791	249	\$1,172	665	\$2,688	351	\$1,581	240	\$1,189	486	\$2,056	402	\$1,759	<b>2693</b>	<b>\$12,241</b>
<b>2015 vs. 2013 Water Usage</b>	(166)	(\$311)	(216)	(\$557)	(250)	(\$648)	136	\$815	(300)	(\$758)	(525)	(\$2,009)	(329)	(\$1,420)	(851)	(\$3,400)	<b>(2501)</b>	<b>(\$8,288)</b>
<b>2015 vs. 2013 Percentage</b>	-49.0%	-23.6%	-63.0%	-41.3%	-50.1%	-35.6%	25.7%	43.5%	-46.1%	-32.4%	-68.6%	-62.8%	-40.4%	-40.9%	-67.9%	-65.9%	-48.2%	-40.4%
<b>2015 Total Saving January through August for Both Rossmoor and Rush Park from 2013</b>																		
Rossmoor and Rush Parks:	January		February		March		April		May		June		July		August		YTD Total	
	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$	CCF Usage	\$
<b>Usage and Costs</b>	<b>(53)</b>	<b>\$442</b>	<b>(370)</b>	<b>(\$825)</b>	<b>(347)</b>	<b>(\$621)</b>	<b>251</b>	<b>\$1,665</b>	<b>(970)</b>	<b>(\$2,557)</b>	<b>(1554)</b>	<b>(\$5,999)</b>	<b>(1331)</b>	<b>(\$5,412)</b>	<b>(2145)</b>	<b>(\$8,491)</b>	<b>(6519)</b>	<b>(\$21,798)</b>
<b>%</b>	<b>-9.6%</b>	<b>20.9%</b>	<b>-46.7%</b>	<b>-27.3%</b>	<b>-30.0%</b>	<b>-15.1%</b>	<b>20.4%</b>	<b>39.2%</b>	<b>-51.1%</b>	<b>-39.2%</b>	<b>-76.6%</b>	<b>-71.7%</b>	<b>-59.0%</b>	<b>-57.8%</b>	<b>-73.6%</b>	<b>-71.5%</b>	<b>-50.8%</b>	<b>-43.9%</b>

1 CCF = 748 Gallons



**ROSSMOOR COMMUNITY SERVICES DISTRICT**

**AGENDA ITEM E-1a.**

**Date:** October 13, 2015

**To:** Honorable Board of Directors

**From:** General Manager

**Subject:** MINUTES: REGULAR MEETING OF September 8, 2015

**RECOMMENDATION:**

Approve the Minutes of the Regular Meeting of September 8, 2015 as prepared by the Board's Secretary/General Manager.

**BACKGROUND:**

The report reflects the actions of the Board at their September 8, 2015 Regular Meeting of the Board as recorded by the Board's Secretary/General Manager.

**ATTACHMENTS:**

1. Minutes-Regular Meeting of September 8, 2015 Prepared by the Board's Secretary/General Manager.



**MINUTES  
BOARD OF DIRECTORS  
ROSSMOOR COMMUNITY SERVICES DISTRICT**

**REGULAR MEETING**

RUSH PARK  
3021 Blume Drive  
Rossmoor, California

**Tuesday, September 8, 2015**

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**A. ORGANIZATION**

**1. CALL TO ORDER: 7:05 P.M.**

**2. ROLL CALL:** Directors Burgess, Casey, DeMarco, Maynard  
President Kahlert

**3. PLEDGE OF ALLEGIANCE**

**4. PRESENTATIONS:**

**a. Proclamation Re: Recognition of Service to the District—Emily Gingras**

President Bill Kahlert presented Emily Gingras with a proclamation for recognition of service to the District. Applause ensued. Photos were taken.

**b. Director Ron Casey Re: I-405 Improvement Project Update**

Director Ron Casey reported on the latest developments on the I-405 Improvement Project relative to sound wall construction and its impact on Rossmoor residences. He discussed the survey and meeting invitation that OCTA and CalTrans had distributed to the affected residents. Slides and diagrams were shown. Brief discussion ensued. The report was received and filed.

**B. ADDITIONS TO AGENDA—None**

**C. PUBLIC FORUM:**

Malita Swanson opined relative to trees and drought. She relayed her observations of people not watering their parkway trees, causing them to turn brown early in the season. She also had comments relative to freeway noise.

Sandi Hill and Cathy Bailey addressed the Board about the new Children's Garden Preschool at Rossmoor Park. Ms. Hill stated that she and Ms. Bailey were both Rossmoor residents, were sensitive to resident concerns and were committed to being good neighbors. She stated that she was aware of traffic issues on Foster Road and reiterated the pre-school start time of 9 a.m.—

which was later than the neighborhood schools. She added that they were available anytime to answer questions. The General Manager added that the district had given considerable thought to the addition of the new preschool prior to its installation. He was confident that there would be minimal impact on traffic. He assured residents that any issues would be promptly addressed.

Director Burgess asked whether preschool staff would be self-policing parent's use of the designated parking slots. He also stated that some people had complained to him that they did not know about the preschool until it was already approved.

Camille Leonardo had comments relative to the preschool. She had concerns regarding wear and tear to the park grounds. She stated that, although it was scheduled to open in a week, she had never heard about the preschool until tonight. She also opined that installing a preschool with 20 more students seemed contrary to previous resident and district concerns about inter district transfers and their impact on traffic.

Mike Stewart expressed concern that the preschool students would limit general public access to the Rossmoor Park playground. He also opined that the district was already struggling to maintain the grounds and he would like to see the revenue put back into replacing the newly installed playground climber with a slide.

Van Zeitz opined relative to a lack of communication and transparency in the District's permitting process, the Rossmoor Park slide replacement. He also had questions relative to whether the preschool had plans for posting public signage. He stated that he had observed tennis instructor signs posted on the tennis courts and the softball league was forced to remove their signage. He wanted to be sure there was fairness and consistency. President Kahlert directed Mr. Zeitz to set up a meeting with the General Manager in order to share his concerns in detail.

Ralph Vartabedian opined that the Children's Garden Preschool contract should be amended to include a provision for drop off parking. He added that the school district had made tremendous strides with regard to traffic and while he appreciated Ms. Hill's comments he felt a traffic impact plan should be in place rather than leaving the preschool parking enforcement to chance.

Linda Daucus had comments relative to residents allowing their lawns to go brown. She requested that the District provide drought tolerant landscaping assistance to residents like the City of Long Beach.

Mark Nitikman opined relative to the traffic from the four elementary schools in Rossmoor. He stated that the school year was still brand new, and he expected County traffic impact results in approximately a month. He concluded by saying that the school district had done a great deal to mitigate traffic concerns by staggering start times, subsidizing transportation, etc.

Seeing no further comments, President Kahlert closed the Public Forum.

#### **D. REPORTS TO THE BOARD**

##### **1. REPORT OF THE ROSSMOOR ADVISORY COMMITTEE RE: LATENT POWERS**

Recommendation to receive the report of the Rossmoor Advisory Committee and provide direction to General Manager on future governance initiatives.

The General Manager presented a comprehensive update on the current status of the District's pursuit of latent powers (*hereafter referred to as local control initiatives*). He stated that the Committee met on July 28, 2015 and reviewed documents relating to the current landscape regarding local control initiatives. Discussion ensued relative to LAFCO's stringent new requirements, burden of proof and potential costs.

Public discussion ensued. Joel Rattner opined that the reasons for initiating the pursuit of latent powers in 2005, no longer existed. Residents are satisfied with police services and response times from the Orange County Sheriff's Department. He added that in 2007 LAFCO voted Rossmoor under the Sphere of Influence of the City of Los Alamitos as a planning tool. He concluded that the recent Grand Jury report criticizes LAFCO for not taking a more aggressive action to annex and consolidate unincorporated County Islands, making pursuit of latent powers an expensive process that would not prove beneficial.

Erwin Anisman agreed with Joel Rattner's opinions. He stated he had read HTGroup's comprehensive report which clearly outlined the new difficulties and LAFCO's stringent requirements of a latent powers application. Additional funds would need to be withdrawn from general fund reserves to cover the application costs. He concluded that LAFCO is mandated to consolidate special districts; therefore being granted latent powers was not only unlikely but an unnecessary expense of time and resources. The report was received and filed.

## **E. CONSENT CALENDAR**

### **1a. MINUTES REGULAR BOARD MEETING—August 11, 2015**

### **2. REVENUE AND EXPENDITURE REPORT—July 2015**

Director Casey requested that Item E-2 Revenue and Expenditure Report be pulled from the Consent Calendar.

Motion by Director DeMarco, seconded by Director Maynard to approve Item E-1a. Minutes as submitted. Motion passed 5-0.

### **2. REVENUE AND EXPENDITURE REPORT—June 2015**

Director Casey had comments relative to increased administrative costs. The General Manager responded that the increases were seasonal and due in large part to additional staffing requirements for summer programming activities. Utility costs had decreased and everything would eventually balance out. The General Manager added that the Auditors would be providing a full report to the board at the October Board Meeting.

Motion by Director DeMarco, seconded by Director Maynard to approve Item E-2 July Revenue and Expenditure report as submitted. Motion passed 5-0.

**F. PUBLIC HEARING**—None

**G. RESOLUTIONS**—None

**ORDINANCES**—None

**H. REGULAR CALENDAR:**

**1. GENERAL COUNSEL AGREEMENT FOR LEGAL SERVICES.**

Recommendation to Approve Employment Agreement for District General Counsel for the District. As newly appointed General Counsel, Tarquin Preziosi with Jones & Mayer recused himself from discussion on this item.

Discussion ensued. Motion by Director Maynard, seconded by Director DeMarco to approve Employment Agreement for District General Counsel for the District. Motion passed 5-0.

**2. GUIDELINES RE: COMMERCIAL FITNESS AND ATHLETIC INSTRUCTION.**

Recommendation to receive the report of the Parks & Facilities Committee, approve guidelines “*For Profit Fitness and Private Instruction on District Property*” and authorize the General Manager to implement said guidelines.

Discussion ensued relative to Item 9. Mr. Rand Mulford stated that C-2, Item number 9 should be removed as it directly referred to Happy Hour Fit Club as opposed to being a general guideline. Director Maynard concurred.

Motion by Director Maynard, seconded by Director Casey to receive the report of the Parks & Facilities Committee, approve guidelines “*For Profit Fitness and Private Instruction on District Property*” with the correction to Item C-2, number 9, and authorize the General Manager to implement said guidelines. Motion passed 4-1, with Director Burgess voting No.

**3. CONTRACT SERVICES AGREEMENT—HAPPY HOUR FIT CLUB BOOT CAMP AT ROSSMOOR PARKS.**

Recommendation to receive the report of the Parks & Facilities Committee, reject the Contract Services Agreement and authorize General Manager to take actions necessary to enforce the District’s park usage policies.

Discussion ensued relative to the background and negotiations process between Happy Hour Fit Club and the District. General Manager Ruth stated that the District had drafted a final contract, and awaited Mrs. DaVanon’s approval. Mr. Rand Mulford, negotiation representative for HHFC, stated that both parties had attained a “meeting of the minds.”

Congratulatory discussion ensued. Motion by Director Maynard, seconded by Director Casey to receive the report of the Parks & Facilities Committee, approve the Contract Services Agreement and authorize the General Manager to execute an agreement with Happy Hour Fit Club. Motion passed 5-0.

**4. SECOND READING OF AMENDMENT TO POLICY NO. 5030 COMMITTEES OF THE BOARD OF DIRECTORS.**

Recommendation to give second reading to amendment of Policy No. 5030 Committees of the Board of Directors for Scheduling of Committee Meetings.

Brief discussion ensued. Motion by Director Maynard, seconded by Director DeMarco to give second reading and approve amendment of Policy No. 5030 Committees of the Board of Directors for Scheduling of Committee Meetings. Motion passed 5-0.

#### **5. SPECIAL EVENT REQUEST FOR USE OF RUSH PARK FOR THE ANNUAL SCHOOL GHOUL 5K RUN/WALK EVENT.**

Recommendation to authorize the General Manager to approve the use of Rush Park beginning at 6:00 am for the 3<sup>rd</sup> Annual School Ghoul 5k Run/Walk event scheduled for Sunday, October 11, 2015.

This year, the District received a request from Mr. Quinonez for a fee waiver due the organizations non-profit status. His letter is dated July 14, 2015, but was only received via email on Thursday, August 27, 2015. It is recommended that the request be denied as untimely, and not consistent with District policy. Granting of a fee waiver would likely lead to similar requests from non-profit organizations for a similar waiver. This could result in a tremendous loss of revenue which supports upkeep and maintenance of District parks and facilities, as well as, staff costs associated with indirect support of events such as this. Fee waivers are sometimes granted for activities which are cosponsored by the District. This is a worthy event, however, it is a private activity and not recommended for District sponsorship.

Discussion ensued relative to the early start time request and the fee waiver. It was the consensus of the Board that the current non-profit rate was sufficient and agreed with staff's recommendation. Director Maynard added that he did not feel it would be prudent for the District to issue a fee waiver as the Los Alamitos Unified School District was a direct benefactor of the event. Motion by Director Maynard, seconded by Director DeMarco to approve the use of Rush Park beginning at 6:00 am for the 3<sup>rd</sup> Annual School Ghoul 5k Run/Walk event scheduled for Sunday, October 11, 2015 and deny the fee waiver. Motion passed 5-0.

#### **6. PROPOSED AMENDMENT TO BOARD MEETING AGENDA RE: BOARD MEMBER ITEMS.**

Recommendation to approve proposed amendment to Board Meeting Agenda re: Board Member Items. The General Manager reported that General Counsel has reviewed the language of the Board Agenda pertaining to Board Member Items and is recommending a change to the language to be more consistent with the limitations of the Brown Act.

Brief discussion ensued. Motion by Director DeMarco, seconded by Director Burgess to approve proposed amendment to Board Meeting Agenda re: Board Member Items. Motion passed 5-0.

#### **I. GENERAL MANAGER ITEMS:**

The General Manager reported on the recruitment progress for the Recreation Coordinator position. He stated that response had been excellent and they would have many qualified applicants from which to choose and bring on board quickly. He stated that the County wireless ordinance hearing

had been continued again until October 20, 2015. He would continue to update the Board on this issue. The Rush Park Canopy installation was targeted for October 15<sup>th</sup> through the 18<sup>th</sup>. Permits had been obtained and there were no outstanding issues. He added that the District had made great progress on replacing the sprinkler valves and sensors in order to maintain compliance with the drought requirements. Governor Brown had recently praised Southern California and Orange County for its exceptional response to the drought. He stated that the water reduction target is 16%. He opined that the reduction was adequate and on target. Regarding the Bradbury Road restriping, the County Public Works had been very cooperative thus far. They are still monitoring the results of their speed reduction efforts in response to community complaints. He stated that this was standard operating procedure and would keep the District informed of any future modification plans. Finally, the Montecito Road Lighting improvements were still underway. The County was working with Edison on the issue. The report was received and filed.

## **J. BOARD MEMBER ITEMS**

Director Burgess had comments relative to resident street sweeping concerns. He stated that if the Los Alamitos School District could not remedy the parking overflow situation, they should pay for the street sweeper to re-sweep the areas. He stated that he was glad the District had come to terms with the Happy Hour Fit Club, however he was not a fan of the time and resources spent in the process. He had additional comments relative to unpermitted park use. He opined that the parks needed to be policed.

Director Casey had comments relative to Emily Gingras' departure. He stated she had been a valuable resource to the District and would be missed. He discussed the I-405 Improvement Project and stated that OCTA had scheduled a meeting in late October to assist the homeowners whose property would be impacted by the new sound wall construction. OCTA would also be holding quarterly update meetings with all key community stakeholders along the I-405 corridor.

Director DeMarco thanked Emily Gingras for her service to the District and wished her well in future endeavors. Regarding residents who had public forum comments about local control, the District has been discussing the matter with LAFCO for some time. The Rossmoor Advisory Committee would be meeting soon to thoroughly vet the issue and listen to concerns of the community. It was going to be a long process with costs involved. He stated that he was hesitant about turning on his sprinkler because of the drought and was glad to hear the tree watering information during public comments. Director DeMarco thanked Rand Mulford with Happy Hour Fit Club for his diligent negotiations. He added that he reads the comments on social media. He opined that many of the comments about RCSD were especially hard for him to read since he was not part of the process. However, he was glad that there was a positive outcome.

Director Maynard wished Emily Gingras luck in her new career with the Recreation Department in the City of Los Alamitos. He stated that street sweeping is an issue for the entire Rossmoor community and there are no easy solutions. The Sheriff's Department sometimes does need to exercise the law and citizens need to abide by the parking restrictions on street sweeping days. Director Maynard discussed the comments made by Van Zeitz relative to tennis signage at Rossmoor Park. He stated that the issue should be discussed and all new signage proposals should be brought to the Board. He added that the General Manager would look into the issue. He also clarified that the District had recently implemented a new telephone system with auto attendant.

Residents needed to make a selection and would be directed to the appropriate staff member.

President Kahlert thanked Emily Gingras for her service and wished her well. He added that he was looking forward to hiring a new candidate ready to meet and exceed expectations. He thanked the District staff and the Happy Hour Fit Club for their hard work and dedication in coming to an agreement on for-profit park use. He reminded residents to water their trees. He added that there had been several instances of graffiti in the community lately and that graffiti needed to be reported directly to the Orange County Sheriff's Department and the County of Orange. President Kahlert concluded by reminding residents to save the date on Friday, December 11<sup>th</sup> for the First Annual Winter Extravaganza at 6:30 p.m. at Rush Park.

**K. CLOSED SESSION—None**

**I. ADJOURNMENT:**

Motion by Director Maynard, seconded by Director DeMarco to adjourn the regular meeting at 9:05 p.m. Motion passed 5-0.

**SUBMITTED BY:**  
**James D. Ruth**  
**General Manager**



**ROSSMOOR COMMUNITY SERVICES DISTRICT**

**AGENDA ITEM E-1b.**

**Date:** October 13, 2015  
**To:** Honorable Board of Directors  
**From:** General Manager  
**Subject:** MINUTES: SPECIAL MEETING OF September 8, 2015

**RECOMMENDATION:**

Approve the Minutes of the Special Meeting of September 8, 2015 as prepared by the Board's Secretary/General Manager.

**BACKGROUND:**

The report reflects the actions of the Board at their September 8, 2015 Special Meeting of the Board as recorded by the Board's Secretary/General Manager.

**ATTACHMENTS:**

1. Minutes-Special Meeting of September 8, 2015 Prepared by the Board's Secretary/General Manager.



**MINUTES  
BOARD OF DIRECTORS  
ROSSMOOR COMMUNITY SERVICES DISTRICT**

**SPECIAL MEETING**

Rush Park Auditorium  
3021 Blume Dr.  
Rossmoor, California

**Tuesday, September 8, 2015  
6:00 p.m.**

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**A. ORGANIZATION**

1. CALL TO ORDER: 6:00 p.m.
2. ROLL CALL: Directors Burgess, Casey, DeMarco, Maynard  
President Kahlert
3. PLEDGE OF ALLEGIANCE

**B. PUBLIC FORUM**

*Any person may address the Board of Directors at this time upon any subject within the jurisdiction of the Rossmoor Community Services District; however, any matter that requires action may be referred to Staff at the discretion of the Board for a report and action at a subsequent Board meeting.*

**C. REGULAR AGENDA**

1. APPOINTMENT OF GENERAL COUNSEL.

**AT APPROXIMATELY 6:04 P.M. THE BOARD ADJOURNED TO CLOSED SESSION**

**D. CLOSED SESSION**

1. PUBLIC EMPLOYEE DISMISSAL  
Pursuant to Government Code Section 54957
2. PUBLIC EMPLOYEE APPOINTMENT  
Pursuant to Government Code Section 54957  
Title: General Counsel

**AT APPROXIMATELY 6:45 P.M. THE BOARD RECONVENED IN TO OPEN SESSION**

President Kahlert reported at approximately 6:04 p.m. the board adjourned to closed session to discuss two items on the agenda, Item D-1 Public Employee Dismissal and Item D-2 Public Employee Appointment.

The following actions were taken: On Item D-1 Public Employee Dismissal the Board voted 5-0 to enable the General Manager to proceed with termination of the Jenkins & Hogin law firm.

On Item D-2 the Board voted 5-0 to appoint the law firm of Jones & Mayer as District General Counsel.

**E. ADJOURNMENT**

Motion by Director Maynard, seconded by Director DeMarco to adjourn the Special Meeting at 6:45 p.m.

**SUBMITTED BY:  
James D. Ruth  
General Manager**

**ROSSMOOR COMMUNITY SERVICES DISTRICT**

**AGENDA ITEM E-2**

**Date**           October 13, 2015  
**To:**             Honorable Board of Directors  
**From:**         General Manager  
**Subject:**      REVENUE & EXPENDITURE REPORT - AUGUST, 2015

**RECOMMENDATION:**

Receive and file the Revenue and Expenditure Report for August, 2015.

**BACKGROUND:**

The Revenue & Expenditure Report is submitted on a monthly basis as an indication of the District's unaudited year-to-date revenues and expenses. Where appropriate, footnotes provide information which explains current anomalies.

**ATTACHMENTS:**

1. Revenue & Expenditure Report for the month of August, 2015.

**REVENUE / EXPENDITURE SUMMARY REPORT**  
**FUND 10 - GENERAL FUND**  
**August 2015 @ 16.67%**

	Original Budget	Amended Budget	YTD Actual	Current Month	Unenc. Balance	% Budget
<b>Revenues</b>						
PROPERTY TAXES	788,142.00	788,142.00	9,203.32	1,356.11	778,938.68	1.2
STREET LIGHT ASSESSMENTS	271,000.00	271,000.00	3,208.26	472.72	267,791.74	1.2
USE OF MONEY AND PROPERTY	2,500.00	2,500.00	690.99	0.00	1,809.01	27.6
OTHER GOVERNMENT AGENCIES	60,800.00	60,800.00	54,475.31	54,475.31	6,324.69	89.6
FEEES AND SERVICES	155,000.00	155,000.00	19,504.00	14,964.00	135,496.00	12.6
OTHER REVENUE	23,500.00	23,500.00	176.00	0.00	23,324.00	0.7
TRANSFER IN OTHER FUNDS	0.00	0.00	0.00	0.00	0.00	0.0
<b>Total Revenues</b>	<b>1,300,942.00</b>	<b>1,300,942.00</b>	<b>87,257.88</b>	<b>71,268.14</b>	<b>1,213,684.12</b>	<b>6.7</b>
<b>Expenditures</b>						
ADMINISTRATION	407,472.00	407,472.00	89,713.92	43,542.20	317,758.08	22.0
RECREATION	127,623.00	127,623.00	27,922.07	8,465.40	99,700.93	21.9
ROSSMOOR PARK	188,703.00	188,703.00	31,145.74	17,537.90	157,557.26	16.5
MONTECITO CENTER	77,694.00	77,694.00	13,218.78	6,569.42	64,475.22	17.0
RUSH PARK	205,098.00	205,098.00	30,955.95	17,212.35	174,142.05	15.1
STREET LIGHTING	105,580.00	105,580.00	17,907.87	8,982.50	87,672.13	17.0
ROSSMOOR WALL	2,100.00	2,100.00	2,000.00	0.00	100.00	95.2
STREET SWEEPING	55,580.00	55,580.00	9,080.28	4,560.97	46,499.72	16.3
PARKWAY TREES	110,181.00	110,181.00	9,297.76	6,455.03	100,883.24	8.4
MINI-PARKS, MEDIANS & TRIANGLE	15,029.00	15,029.00	2,045.86	1,604.42	12,983.14	13.6
<b>Total Expenditures</b>	<b>1,295,060.00</b>	<b>1,295,060.00</b>	<b>233,288.23</b>	<b>114,930.19</b>	<b>1,061,771.77</b>	<b>18.0</b>

**Please note: Audit Adjustments will not be entered until September's Report. Footnotes and audited Fund Balance will be available on that Revenue and Expenditure Report**

**Audited Fund Balance  
at June 30, 2014**

**\$ 802,718.00**

REVENUE REPORT  
AUGUST 2015 @ 16.67%

Page: 2  
10/5/2015  
2:01 pm

Rossmoor Community

For the Period: 7/1/2015 to 8/31/2015	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund: 10 - GENERAL FUND							
Revenues							
Dept: 00							
PROPERTY TAXES	788,142.00	788,142.00	9,203.32	1,356.11	0.00	778,938.68	1.2
ASSESSMENTS	271,000.00	271,000.00	3,208.26	472.72	0.00	267,791.74	1.2
USE OF MONEY AND PROPERTY	2,500.00	2,500.00	690.99	0.00	0.00	1,809.01	27.6
OTHER GOVERNMENT AGENCIES	60,800.00	60,800.00	54,475.31	54,475.31	0.00	6,324.69	89.6
FEES AND SERVICES	155,000.00	155,000.00	19,504.00	14,964.00	0.00	135,496.00	12.6
OTHER REVENUE	23,500.00	23,500.00	176.00	0.00	0.00	23,324.00	0.7
Dept: 00	1,300,942.00	1,300,942.00	87,257.88	71,268.14	0.00	1,213,684.12	6.7
Revenues	1,300,942.00	1,300,942.00	87,257.88	71,268.14	0.00	1,213,684.12	6.7
Grand Total Net Effect:	1,300,942.00	1,300,942.00	87,257.88	71,268.14	0.00	1,213,684.12	

Rossmoor Community

For the Period: 7/1/2015 to 8/31/2015

Fund: 10 - GENERAL FUND

	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
<b>Expenditures</b>							
<b>Dept: 10 ADMINISTRATION</b>							
SALARIES AND BENEFITS	246,572.00	246,572.00	48,561.38	26,677.22	0.00	198,010.62	19.7
OPERATIONS AND MAINTENANCE	64,200.00	64,200.00	24,507.54	7,491.78	0.00	39,692.46	38.2
CONTRACT SERVICES	93,700.00	93,700.00	16,645.00	9,373.20	0.00	77,055.00	17.8
CAPITAL EXPENDITURES	3,000.00	3,000.00	0.00	0.00	0.00	3,000.00	0.0
<b>ADMINISTRATION</b>	<b>407,472.00</b>	<b>407,472.00</b>	<b>89,713.92</b>	<b>43,542.20</b>	<b>0.00</b>	<b>317,758.08</b>	<b>22.0</b>
<b>Dept: 20 RECREATION</b>							
SALARIES AND BENEFITS	94,523.00	94,523.00	17,871.35	9,226.04	0.00	76,651.65	18.9
OPERATIONS AND MAINTENANCE	28,600.00	28,600.00	9,475.71	-1,016.70	0.00	19,124.29	33.1
CONTRACT SERVICES	3,500.00	3,500.00	575.01	256.06	0.00	2,924.99	16.4
CAPITAL EXPENDITURES	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.0
<b>RECREATION</b>	<b>127,623.00</b>	<b>127,623.00</b>	<b>27,922.07</b>	<b>8,465.40</b>	<b>0.00</b>	<b>99,700.93</b>	<b>21.9</b>
<b>Dept: 30 ROSSMOOR PARK</b>							
SALARIES AND BENEFITS	68,956.00	68,956.00	11,642.77	5,577.88	0.00	57,313.23	16.9
OPERATIONS AND MAINTENANCE	82,047.00	82,047.00	13,560.95	8,977.90	0.00	68,486.05	16.5
CONTRACT SERVICES	37,450.00	37,450.00	5,942.02	2,982.12	0.00	31,507.98	15.9
CAPITAL EXPENDITURES	250.00	250.00	0.00	0.00	0.00	250.00	0.0
<b>ROSSMOOR PARK</b>	<b>188,703.00</b>	<b>188,703.00</b>	<b>31,145.74</b>	<b>17,537.90</b>	<b>0.00</b>	<b>157,557.26</b>	<b>16.5</b>
<b>Dept: 40 MONTECITO CENTER</b>							
SALARIES AND BENEFITS	51,989.00	51,989.00	9,310.11	4,155.47	0.00	42,678.89	17.9
OPERATIONS AND MAINTENANCE	18,405.00	18,405.00	2,686.65	1,791.83	0.00	15,718.35	14.6
CONTRACT SERVICES	7,250.00	7,250.00	1,222.02	622.12	0.00	6,027.98	16.9
CAPITAL EXPENDITURES	50.00	50.00	0.00	0.00	0.00	50.00	0.0
<b>MONTECITO CENTER</b>	<b>77,694.00</b>	<b>77,694.00</b>	<b>13,218.78</b>	<b>6,569.42</b>	<b>0.00</b>	<b>64,475.22</b>	<b>17.0</b>
<b>Dept: 50 RUSH PARK</b>							
SALARIES AND BENEFITS	71,749.00	71,749.00	14,049.23	6,855.94	0.00	57,699.77	19.6
OPERATIONS AND MAINTENANCE	95,649.00	95,649.00	10,964.70	7,374.29	0.00	84,684.30	11.5
CONTRACT SERVICES	37,450.00	37,450.00	5,942.02	2,982.12	0.00	31,507.98	15.9
CAPITAL EXPENDITURES	250.00	250.00	0.00	0.00	0.00	250.00	0.0
<b>RUSH PARK</b>	<b>205,098.00</b>	<b>205,098.00</b>	<b>30,955.95</b>	<b>17,212.35</b>	<b>0.00</b>	<b>174,142.05</b>	<b>15.1</b>

Rossmoor Community

For the Period: 7/1/2015 to 8/31/2015

Fund: 10 - GENERAL FUND

	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Expenditures							
Dept: 60 STREET LIGHTING							
OPERATIONS AND MAINTENANCE	580.00	580.00	90.89	74.01	0.00	489.11	15.7
CONTRACT SERVICES	105,000.00	105,000.00	17,816.98	8,908.49	0.00	87,183.02	17.0
STREET LIGHTING	105,580.00	105,580.00	17,907.87	8,982.50	0.00	87,672.13	17.0
Dept: 65 ROSSMOOR WALL							
OPERATIONS AND MAINTENANCE	2,100.00	2,100.00	2,000.00	0.00	0.00	100.00	95.2
ROSSMOOR WALL	2,100.00	2,100.00	2,000.00	0.00	0.00	100.00	95.2
Dept: 70 STREET SWEEPING							
OPERATIONS AND MAINTENANCE	580.00	580.00	90.89	74.01	0.00	489.11	15.7
CONTRACT SERVICES	55,000.00	55,000.00	8,989.39	4,486.96	0.00	46,010.61	16.3
STREET SWEEPING	55,580.00	55,580.00	9,080.28	4,560.97	0.00	46,499.72	16.3
Dept: 80 PARKWAY TREES							
SALARIES AND BENEFITS	20,850.00	20,850.00	3,493.58	1,529.50	0.00	17,356.42	16.8
OPERATIONS AND MAINTENANCE	1,775.00	1,775.00	208.73	169.02	0.00	1,566.27	11.8
CONTRACT SERVICES	75,556.00	75,556.00	5,563.05	4,756.51	0.00	69,992.95	7.4
CAPITAL EXPENDITURES	12,000.00	12,000.00	32.40	0.00	0.00	11,967.60	0.3
PARKWAY TREES	110,181.00	110,181.00	9,297.76	6,455.03	0.00	100,883.24	8.4
Dept: 90 MINI-PARKS AND MEDIANS							
SALARIES AND BENEFITS	979.00	979.00	161.55	70.75	0.00	817.45	16.5
OPERATIONS AND MAINTENANCE	9,800.00	9,800.00	1,265.02	1,214.99	0.00	8,534.98	12.9
CONTRACT SERVICES	4,150.00	4,150.00	619.29	318.68	0.00	3,530.71	14.9
CAPITAL EXPENDITURES	100.00	100.00	0.00	0.00	0.00	100.00	0.0
MINI-PARKS AND MEDIANS	15,029.00	15,029.00	2,045.86	1,604.42	0.00	12,983.14	13.6
Expenditures	1,295,060.00	1,295,060.00	233,288.23	114,930.19	0.00	1,061,771.77	18.0
Grand Total Net Effect:	-1,295,060.00	-1,295,060.00	-233,288.23	-114,930.19	0.00	-1,061,771.77	



Rossmoor Community

For the Period: 7/1/2015 to 8/31/2015		Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund: 10 - GENERAL FUND								
Revenues								
Dept: 00								
Acct Class: 30 PROPERTY TAXES								
3000	Current Secured Property Taxes	719,100.00	719,100.00	5,947.92	0.00	0.00	713,152.08	0.8
3001	Current unsecured prop tax	23,000.00	23,000.00	0.00	0.00	0.00	23,000.00	0.0
3002	Prior secured property taxes	9,200.00	9,200.00	1,228.82	963.14	0.00	7,971.18	13.4
3003	Prior unsecured prop taxes	4,500.00	4,500.00	0.00	0.00	0.00	4,500.00	0.0
3004	Delinquent property taxes	510.00	510.00	539.75	0.00	0.00	-29.75	105.8
3010	Current supplemental assessmt	20,000.00	20,000.00	1,486.83	392.97	0.00	18,513.17	7.4
3020	Public utility tax	11,832.00	11,832.00	0.00	0.00	0.00	11,832.00	0.0
PROPERTY TAXES		788,142.00	788,142.00	9,203.32	1,356.11	0.00	778,938.68	1.2
Acct Class: 31 ASSESSMENTS								
3105	Street light assessments	271,000.00	271,000.00	3,208.26	472.72	0.00	267,791.74	1.2
ASSESSMENTS		271,000.00	271,000.00	3,208.26	472.72	0.00	267,791.74	1.2
Acct Class: 32 USE OF MONEY AND PROPERTY								
3200	Interest on investments	2,500.00	2,500.00	690.99	0.00	0.00	1,809.01	27.6
USE OF MONEY AND PROPERTY		2,500.00	2,500.00	690.99	0.00	0.00	1,809.01	27.6
Acct Class: 33 OTHER GOVERNMENT AGENCIES								
3301	State homeowner proptax relief	5,800.00	5,800.00	0.00	0.00	0.00	5,800.00	0.0
3305	County street sweep reimburse	55,000.00	55,000.00	54,475.31	54,475.31	0.00	524.69	99.0
OTHER GOVERNMENT AGENCIES		60,800.00	60,800.00	54,475.31	54,475.31	0.00	6,324.69	89.6
Acct Class: 34 FEES AND SERVICES								
3404	Court reservations	14,500.00	14,500.00	1,439.00	700.00	0.00	13,061.00	9.9
3405	Wall Rental	600.00	600.00	60.00	20.00	0.00	540.00	10.0
3406	Ball field reservations	26,000.00	26,000.00	7,262.00	7,316.00	0.00	18,738.00	27.9
3410	Rossmoor building rental	4,680.00	4,680.00	430.00	333.00	0.00	4,250.00	9.2
3412	Montecito building rental	25,220.00	25,220.00	1,628.00	176.00	0.00	23,592.00	6.5
3414	Rush Park Building Rental	84,000.00	84,000.00	8,685.00	6,419.00	0.00	75,315.00	10.3
FEES AND SERVICES		155,000.00	155,000.00	19,504.00	14,964.00	0.00	135,496.00	12.6
Acct Class: 35 OTHER REVENUE								
3500	Other miscellaneous revenue	3,500.00	3,500.00	176.00	0.00	0.00	3,324.00	5.0
3502	Administrative Fee	20,000.00	20,000.00	0.00	0.00	0.00	20,000.00	0.0
OTHER REVENUE		23,500.00	23,500.00	176.00	0.00	0.00	23,324.00	0.7
Dept: 00		1,300,942.00	1,300,942.00	87,257.88	71,268.14	0.00	1,213,684.12	6.7
Revenues		1,300,942.00	1,300,942.00	87,257.88	71,268.14	0.00	1,213,684.12	6.7
Expenditures								
Dept: 10 ADMINISTRATION								
Acct Class: 40 SALARIES AND BENEFITS								
000	Board of Directors Compensatn	9,000.00	9,000.00	1,700.00	1,050.00	0.00	7,300.00	18.9
001	Salaries - Full-time	186,300.00	186,300.00	36,253.05	20,130.66	0.00	150,046.95	19.5
003	Salaries - Overtime	3,672.00	3,672.00	1,255.34	591.65	0.00	2,416.66	34.2
007	Vehicle Allowance	500.00	500.00	224.43	55.78	0.00	275.57	44.9
010	Workers Compensation Insurance	2,600.00	2,600.00	572.46	220.29	0.00	2,027.54	22.0
011	Medical Insurance	32,000.00	32,000.00	5,520.66	2,939.24	0.00	26,479.34	17.3
015	Federal Payroll Tax -FICA	12,000.00	12,000.00	2,984.44	1,658.10	0.00	9,015.56	24.9
018	State Payroll Taxes	500.00	500.00	51.00	31.50	0.00	449.00	10.2
SALARIES AND BENEFITS		246,572.00	246,572.00	48,561.38	26,677.22	0.00	198,010.62	19.7
Acct Class: 50 OPERATIONS AND MAINTENANCE								
002	Insurance - Liability	13,200.00	13,200.00	11,891.95	0.00	0.00	1,308.05	90.1
004	Memberships and Dues	6,400.00	6,400.00	2,375.54	150.59	0.00	4,024.46	37.1
006	Travel & Meetings	1,500.00	1,500.00	0.00	0.00	0.00	1,500.00	0.0
007	Televised Meeting Costs	18,000.00	18,000.00	4,356.30	2,856.20	0.00	13,643.70	24.2

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Rossmoor Community

For the Period: 7/1/2015 to 8/31/2015		Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund: 10 - GENERAL FUND								
Expenditures								
Dept: 10 ADMINISTRATION								
Acct Class: 50 OPERATIONS AND MAINTENANCE								
5010	Publications & Legal Notices	7,200.00	7,200.00	2,655.23	1,854.03	0.00	4,544.77	36.9
5012	Printing	700.00	700.00	64.19	18.90	0.00	635.81	9.2
5014	Postage	2,000.00	2,000.00	111.10	111.10	0.00	1,888.90	5.6
5016	Office Supplies	7,200.00	7,200.00	1,352.17	1,027.11	0.00	5,847.83	18.8
5020	Telephone	1,500.00	1,500.00	272.64	222.00	0.00	1,227.36	18.2
5045	Miscellaneous Expenditures	5,500.00	5,500.00	1,038.79	1,028.51	0.00	4,461.21	18.9
5046	Bank Service Charge	1,000.00	1,000.00	389.63	223.34	0.00	610.37	39.0
OPERATIONS AND MAINTENANCE		64,200.00	64,200.00	24,507.54	7,491.78	0.00	39,692.46	38.2
Acct Class: 56 CONTRACT SERVICES								
5610	Legal Counsel	35,000.00	35,000.00	5,107.50	2,925.00	0.00	29,892.50	14.6
5615	Financial Audit-Consulting	8,700.00	8,700.00	0.00	0.00	0.00	8,700.00	0.0
5670	Other Professional Services	50,000.00	50,000.00	11,537.50	6,448.20	0.00	38,462.50	23.1
CONTRACT SERVICES		93,700.00	93,700.00	16,645.00	9,373.20	0.00	77,055.00	17.8
Acct Class: 60 CAPITAL EXPENDITURES								
6010	Equipment	3,000.00	3,000.00	0.00	0.00	0.00	3,000.00	0.0
CAPITAL EXPENDITURES		3,000.00	3,000.00	0.00	0.00	0.00	3,000.00	0.0
ADMINISTRATION		407,472.00	407,472.00	89,713.92	43,542.20	0.00	317,758.08	22.0
Dept: 20 RECREATION								
Acct Class: 40 SALARIES AND BENEFITS								
4001	Salaries - Full-time	51,000.00	51,000.00	8,488.72	4,158.71	0.00	42,511.28	16.6
4002	Salaries - Part-time	23,566.00	23,566.00	4,289.34	2,609.07	0.00	19,276.66	18.2
4003	Salaries - Overtime	3,713.00	3,713.00	1,307.57	454.47	0.00	2,405.43	35.2
4005	Salaries - Event Attendant	400.00	400.00	862.50	525.00	0.00	-462.50	215.6
4007	Vehicle Allowance	350.00	350.00	84.93	0.00	0.00	265.07	24.3
4010	Workers Compensation Insurance	1,080.00	1,080.00	231.41	89.05	0.00	848.59	21.4
4011	Medical Insurance	8,000.00	8,000.00	1,403.57	747.28	0.00	6,596.43	17.5
4015	Federal Payroll Tax -FICA	5,814.00	5,814.00	1,143.24	592.52	0.00	4,670.76	19.7
4018	State Payroll Taxes	600.00	600.00	60.07	49.94	0.00	539.93	10.0
SALARIES AND BENEFITS		94,523.00	94,523.00	17,871.35	9,226.04	0.00	76,651.65	18.9
Acct Class: 50 OPERATIONS AND MAINTENANCE								
5006	Travel & Meetings	400.00	400.00	0.00	0.00	0.00	400.00	0.0
5010	Publications & Legal Notices	200.00	200.00	0.00	0.00	0.00	200.00	0.0
5012	Printing	100.00	100.00	3.24	3.24	0.00	96.76	3.2
5014	Postage	150.00	150.00	8.42	8.42	0.00	141.58	5.6
5016	Office Supplies	1,000.00	1,000.00	271.43	206.22	0.00	728.57	27.1
5017	Community Events	18,000.00	18,000.00	2,036.22	-2,140.34	0.00	15,963.78	11.3
5019	Fireworks	6,200.00	6,200.00	6,200.00	0.00	0.00	0.00	100.0
5020	Telephone	1,800.00	1,800.00	272.64	222.00	0.00	1,527.36	15.1
5045	Miscellaneous Expenditures	500.00	500.00	0.00	0.00	0.00	500.00	0.0
5048	Run Seal Beach Grant	0.00	0.00	683.76	683.76	0.00	-683.76	0.0
5051	Equipment Rental	250.00	250.00	0.00	0.00	0.00	250.00	0.0
OPERATIONS AND MAINTENANCE		28,600.00	28,600.00	9,475.71	-1,016.70	0.00	19,124.29	33.1
Acct Class: 56 CONTRACT SERVICES								
5670	Other Professional Services	3,500.00	3,500.00	575.01	256.06	0.00	2,924.99	16.4
CONTRACT SERVICES		3,500.00	3,500.00	575.01	256.06	0.00	2,924.99	16.4
Acct Class: 60 CAPITAL EXPENDITURES								
6010	Equipment	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.0
CAPITAL EXPENDITURES		1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.0
RECREATION		127,623.00	127,623.00	27,922.07	8,465.40	0.00	99,700.93	21.9
Dept: 30 ROSSMOOR PARK								

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Rossmoor Community

For the Period: 7/1/2015 to 8/31/2015	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund: 10 - GENERAL FUND							
<b>Expenditures</b>							
Dept: 30 ROSSMOOR PARK							
Acct Class: 40 SALARIES AND BENEFITS							
4001 Salaries - Full-time	38,760.00	38,760.00	6,036.91	2,979.52	0.00	32,723.09	15.6
4002 Salaries - Part-time	10,812.00	10,812.00	1,976.79	896.26	0.00	8,835.21	18.3
4003 Salaries - Overtime	2,244.00	2,244.00	651.84	240.77	0.00	1,592.16	29.0
4010 Workers Compensation Insurance	2,800.00	2,800.00	572.46	220.29	0.00	2,227.54	20.4
4011 Medical Insurance	10,000.00	10,000.00	1,733.83	923.11	0.00	8,266.17	17.3
4015 Federal Payroll Tax -FICA	4,080.00	4,080.00	661.97	314.44	0.00	3,418.03	16.2
4018 State Payroll Taxes	260.00	260.00	8.97	3.49	0.00	251.03	3.5
<b>SALARIES AND BENEFITS</b>	<b>68,956.00</b>	<b>68,956.00</b>	<b>11,642.77</b>	<b>5,577.88</b>	<b>0.00</b>	<b>57,313.23</b>	<b>16.9</b>
Acct Class: 50 OPERATIONS AND MAINTENANCE							
5010 Publications & Legal Notices	300.00	300.00	0.00	0.00	0.00	300.00	0.0
5012 Printing	50.00	50.00	1.62	1.62	0.00	48.38	3.2
5014 Postage	50.00	50.00	2.85	2.85	0.00	47.15	5.7
5016 Office Supplies	900.00	900.00	135.72	103.12	0.00	764.28	15.1
5018 Janitorial Supplies	4,000.00	4,000.00	1,275.10	860.01	0.00	2,724.90	31.9
5020 Telephone	1,600.00	1,600.00	272.64	222.00	0.00	1,327.36	17.0
5022 Utilities	10,500.00	10,500.00	2,662.85	1,411.19	0.00	7,837.15	25.4
5023 Water	39,000.00	39,000.00	3,526.82	1,632.51	0.00	35,473.18	9.0
5025 SECURED PROP TAX	897.00	897.00	0.00	0.00	0.00	897.00	0.0
5030 Vehicle Maintenance	1,000.00	1,000.00	108.17	108.17	0.00	891.83	10.8
5032 Building & Grounds-Maintenance	22,000.00	22,000.00	5,218.78	4,567.66	0.00	16,781.22	23.7
5034 Alarm Systems	750.00	750.00	84.24	68.77	0.00	665.76	11.2
5045 Miscellaneous Expenditures	500.00	500.00	0.00	0.00	0.00	500.00	0.0
5051 Equipment Rental	250.00	250.00	0.00	0.00	0.00	250.00	0.0
5052 Minor Facility Repairs	250.00	250.00	272.16	0.00	0.00	22.16	108.9
<b>OPERATIONS AND MAINTENANCE</b>	<b>82,047.00</b>	<b>82,047.00</b>	<b>13,560.95</b>	<b>8,977.90</b>	<b>0.00</b>	<b>68,486.05</b>	<b>16.5</b>
Acct Class: 56 CONTRACT SERVICES							
5655 Landscape Maintenance	33,000.00	33,000.00	5,310.00	2,655.00	0.00	27,690.00	16.1
5656 Tree Trimming	950.00	950.00	71.06	71.06	0.00	878.94	7.5
5670 Other Professional Services	3,500.00	3,500.00	560.96	256.06	0.00	2,939.04	16.0
<b>CONTRACT SERVICES</b>	<b>37,450.00</b>	<b>37,450.00</b>	<b>5,942.02</b>	<b>2,982.12</b>	<b>0.00</b>	<b>31,507.98</b>	<b>15.9</b>
Acct Class: 60 CAPITAL EXPENDITURES							
6010 Equipment	250.00	250.00	0.00	0.00	0.00	250.00	0.0
<b>CAPITAL EXPENDITURES</b>	<b>250.00</b>	<b>250.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>250.00</b>	<b>0.0</b>
<b>ROSSMOOR PARK</b>	<b>188,703.00</b>	<b>188,703.00</b>	<b>31,145.74</b>	<b>17,537.90</b>	<b>0.00</b>	<b>157,557.26</b>	<b>16.5</b>
Dept: 40 MONTECITO CENTER							
Acct Class: 40 SALARIES AND BENEFITS							
4001 Salaries - Full-time	32,640.00	32,640.00	4,943.17	2,425.49	0.00	27,696.83	15.1
4002 Salaries - Part-time	4,794.00	4,794.00	1,514.39	413.28	0.00	3,279.61	31.6
4003 Salaries - Overtime	1,224.00	1,224.00	457.55	161.83	0.00	766.45	37.4
4010 Workers Compensation Insurance	2,250.00	2,250.00	460.41	177.17	0.00	1,789.59	20.5
4011 Medical Insurance	8,100.00	8,100.00	1,402.85	746.92	0.00	6,697.15	17.3
4015 Federal Payroll Tax -FICA	2,856.00	2,856.00	528.06	229.06	0.00	2,327.94	18.5
4018 State Payroll Taxes	125.00	125.00	3.68	1.72	0.00	121.32	2.9
<b>SALARIES AND BENEFITS</b>	<b>51,989.00</b>	<b>51,989.00</b>	<b>9,310.11</b>	<b>4,155.47</b>	<b>0.00</b>	<b>42,678.89</b>	<b>17.9</b>
Acct Class: 50 OPERATIONS AND MAINTENANCE							
5010 Publications & Legal Notices	200.00	200.00	0.00	0.00	0.00	200.00	0.0
5012 Printing	50.00	50.00	1.62	1.62	0.00	48.38	3.2
5014 Postage	50.00	50.00	2.85	2.85	0.00	47.15	5.7
5016 Office Supplies	900.00	900.00	135.72	103.12	0.00	764.28	15.1
5018 Janitorial Supplies	3,000.00	3,000.00	1,275.10	860.01	0.00	1,724.90	42.5
5020 Telephone	1,650.00	1,650.00	272.64	222.00	0.00	1,377.36	16.5
5022 Utilities	4,000.00	4,000.00	268.49	134.61	0.00	3,731.51	6.7
5023 Water	1,600.00	1,600.00	0.00	0.00	0.00	1,600.00	0.0

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Rossmoor Community

For the Period: 7/1/2015 to 8/31/2015

Fund: 10 - GENERAL FUND

	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
<b>Expenditures</b>							
Dept: 40 MONTECITO CENTER							
Acct Class: 50 OPERATIONS AND MAINTENANCE							
5025 SECURED PROP TAX	755.00	755.00	0.00	0.00	0.00	755.00	0.0
5030 Vehicle Maintenance	1,000.00	1,000.00	108.17	108.17	0.00	891.83	10.8
5032 Building & Grounds-Maintenance	4,000.00	4,000.00	481.62	234.03	0.00	3,518.38	12.0
5034 Alarm Systems	400.00	400.00	140.44	125.42	0.00	259.56	35.1
5045 Miscellaneous Expenditures	50.00	50.00	0.00	0.00	0.00	50.00	0.0
5051 Equipment Rental	250.00	250.00	0.00	0.00	0.00	250.00	0.0
5052 Minor Facility Repairs	500.00	500.00	0.00	0.00	0.00	500.00	0.0
<b>OPERATIONS AND MAINTENANCE</b>	<b>18,405.00</b>	<b>18,405.00</b>	<b>2,686.65</b>	<b>1,791.83</b>	<b>0.00</b>	<b>15,718.35</b>	<b>14.6</b>
Acct Class: 56 CONTRACT SERVICES							
5655 Landscape Maintenance	3,300.00	3,300.00	590.00	295.00	0.00	2,710.00	17.9
5656 Tree Trimming	950.00	950.00	71.06	71.06	0.00	878.94	7.5
5670 Other Professional Services	3,000.00	3,000.00	560.96	256.06	0.00	2,439.04	18.7
<b>CONTRACT SERVICES</b>	<b>7,250.00</b>	<b>7,250.00</b>	<b>1,222.02</b>	<b>622.12</b>	<b>0.00</b>	<b>6,027.98</b>	<b>16.9</b>
Acct Class: 60 CAPITAL EXPENDITURES							
6010 Equipment	50.00	50.00	0.00	0.00	0.00	50.00	0.0
<b>CAPITAL EXPENDITURES</b>	<b>50.00</b>	<b>50.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>50.00</b>	<b>0.0</b>
<b>MONTECITO CENTER</b>							
Dept: 50 RUSH PARK							
Acct Class: 40 SALARIES AND BENEFITS							
4001 Salaries - Full-time	38,760.00	38,760.00	6,036.91	2,979.52	0.00	32,723.09	15.6
4002 Salaries - Part-time	9,690.00	9,690.00	2,144.10	896.26	0.00	7,545.90	22.1
4003 Salaries - Overtime	2,040.00	2,040.00	719.34	308.27	0.00	1,320.66	35.3
4005 Salaries - Event Attendant	4,000.00	4,000.00	1,960.43	1,087.50	0.00	2,039.57	49.0
4010 Workers Compensation Insurance	2,600.00	2,600.00	572.46	220.29	0.00	2,027.54	22.0
4011 Medical Insurance	10,000.00	10,000.00	1,733.85	923.11	0.00	8,266.15	17.3
4015 Federal Payroll Tax -FICA	4,284.00	4,284.00	829.97	402.86	0.00	3,454.03	19.4
4018 State Payroll Taxes	375.00	375.00	52.17	38.13	0.00	322.83	13.9
<b>SALARIES AND BENEFITS</b>	<b>71,749.00</b>	<b>71,749.00</b>	<b>14,049.23</b>	<b>6,855.94</b>	<b>0.00</b>	<b>57,699.77</b>	<b>19.6</b>
Acct Class: 50 OPERATIONS AND MAINTENANCE							
010 Publications & Legal Notices	500.00	500.00	0.00	0.00	0.00	500.00	0.0
012 Printing	250.00	250.00	1.62	1.62	0.00	248.38	0.6
014 Postage	100.00	100.00	2.85	2.85	0.00	97.15	2.9
016 Office Supplies	900.00	900.00	135.72	103.12	0.00	764.28	15.1
018 Janitorial Supplies	4,000.00	4,000.00	1,278.92	862.58	0.00	2,721.08	32.0
020 Telephone	1,800.00	1,800.00	272.64	222.00	0.00	1,527.36	15.1
022 Utilities	29,000.00	29,000.00	3,406.47	3,406.47	0.00	25,593.53	11.7
023 Water	31,000.00	31,000.00	3,815.82	1,759.34	0.00	27,184.18	12.3
025 SECURED PROP TAX	3,349.00	3,349.00	0.00	0.00	0.00	3,349.00	0.0
030 Vehicle Maintenance	1,000.00	1,000.00	108.16	108.16	0.00	891.84	10.8
032 Building & Grounds-Maintenance	22,000.00	22,000.00	1,802.05	896.72	0.00	20,197.95	8.2
034 Alarm Systems	750.00	750.00	140.45	11.43	0.00	609.55	18.7
045 Miscellaneous Expenditures	250.00	250.00	0.00	0.00	0.00	250.00	0.0
051 Equipment Rental	250.00	250.00	0.00	0.00	0.00	250.00	0.0
052 Minor Facility Repairs	500.00	500.00	0.00	0.00	0.00	500.00	0.0
<b>OPERATIONS AND MAINTENANCE</b>	<b>95,649.00</b>	<b>95,649.00</b>	<b>10,964.70</b>	<b>7,374.29</b>	<b>0.00</b>	<b>84,684.30</b>	<b>11.5</b>
Acct Class: 56 CONTRACT SERVICES							
5655 Landscape Maintenance	33,000.00	33,000.00	5,310.00	2,655.00	0.00	27,690.00	16.1
5656 Tree Trimming	950.00	950.00	71.06	71.06	0.00	878.94	7.5
5670 Other Professional Services	3,500.00	3,500.00	560.96	256.06	0.00	2,939.04	16.0
<b>CONTRACT SERVICES</b>	<b>37,450.00</b>	<b>37,450.00</b>	<b>5,942.02</b>	<b>2,982.12</b>	<b>0.00</b>	<b>31,507.98</b>	<b>15.9</b>
Acct Class: 60 CAPITAL EXPENDITURES							
6010 Equipment	250.00	250.00	0.00	0.00	0.00	250.00	0.0

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For the Period: 7/1/2015 to 8/31/2015

Fund: 10 - GENERAL FUND

	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
<b>Expenditures</b>							
Dept: 50 RUSH PARK							
CAPITAL EXPENDITURES	250.00	250.00	0.00	0.00	0.00	250.00	0.0
RUSH PARK							
Dept: 60 STREET LIGHTING	205,098.00	205,098.00	30,955.95	17,212.35	0.00	174,142.05	15.1
Acct Class: 50 OPERATIONS AND MAINTENANCE							
5020 Telephone	580.00	580.00	90.89	74.01	0.00	489.11	15.7
OPERATIONS AND MAINTENANCE							
Acct Class: 56 CONTRACT SERVICES	580.00	580.00	90.89	74.01	0.00	489.11	15.7
5650 Lighting and Maintenance	105,000.00	105,000.00	17,816.98	8,908.49	0.00	87,183.02	17.0
CONTRACT SERVICES							
105,000.00	105,000.00	17,816.98	8,908.49	0.00	87,183.02	17.0	
STREET LIGHTING							
105,580.00	105,580.00	17,907.87	8,982.50	0.00	87,672.13	17.0	
Dept: 65 ROSSMOOR WALL							
Acct Class: 50 OPERATIONS AND MAINTENANCE							
5002 Insurance - Liability	2,000.00	2,000.00	2,000.00	0.00	0.00	0.00	100.0
5032 Building & Grounds-Maintenance	100.00	100.00	0.00	0.00	0.00	100.00	0.0
OPERATIONS AND MAINTENANCE							
2,100.00	2,100.00	2,000.00	0.00	0.00	100.00	95.2	
ROSSMOOR WALL							
2,100.00	2,100.00	2,000.00	0.00	0.00	100.00	95.2	
Dept: 70 STREET SWEEPING							
Acct Class: 50 OPERATIONS AND MAINTENANCE							
5020 Telephone	580.00	580.00	90.89	74.01	0.00	489.11	15.7
OPERATIONS AND MAINTENANCE							
580.00	580.00	90.89	74.01	0.00	489.11	15.7	
Acct Class: 56 CONTRACT SERVICES							
642 Street Sweeping	55,000.00	55,000.00	8,989.39	4,486.96	0.00	46,010.61	16.3
CONTRACT SERVICES							
55,000.00	55,000.00	8,989.39	4,486.96	0.00	46,010.61	16.3	
STREET SWEEPING							
55,580.00	55,580.00	9,080.28	4,560.97	0.00	46,499.72	16.3	
Dept: 80 PARKWAY TREES							
Acct Class: 40 SALARIES AND BENEFITS							
002 Salaries - Part-time	19,000.00	19,000.00	3,121.17	1,358.64	0.00	15,878.83	16.4
003 Salaries - Overtime	0.00	0.00	61.97	0.00	0.00	-61.97	0.0
007 Vehicle Allowance	400.00	400.00	66.93	66.93	0.00	333.07	16.7
015 Federal Payroll Tax -FICA	1,250.00	1,250.00	243.51	103.93	0.00	1,006.49	19.5
018 State Payroll Taxes	200.00	200.00	0.00	0.00	0.00	200.00	0.0
SALARIES AND BENEFITS							
20,850.00	20,850.00	3,493.58	1,529.50	0.00	17,356.42	16.8	
Acct Class: 50 OPERATIONS AND MAINTENANCE							
012 Printing	25.00	25.00	0.00	0.00	0.00	25.00	0.0
014 Postage	300.00	300.00	1.42	1.42	0.00	298.58	0.5
016 Office Supplies	200.00	200.00	25.56	19.61	0.00	174.44	12.8
020 Telephone	1,000.00	1,000.00	181.75	147.99	0.00	818.25	18.2
030 Vehicle Maintenance	200.00	200.00	0.00	0.00	0.00	200.00	0.0
051 Equipment Rental	50.00	50.00	0.00	0.00	0.00	50.00	0.0
OPERATIONS AND MAINTENANCE							
1,775.00	1,775.00	208.73	169.02	0.00	1,566.27	11.8	
Acct Class: 56 CONTRACT SERVICES							
056 Tree Trimming	69,608.00	69,608.00	4,500.44	4,500.44	0.00	65,107.56	6.5
060 TREE REMOVAL	448.00	448.00	202.40	0.00	0.00	245.60	45.2
070 Other Professional Services	5,500.00	5,500.00	860.21	256.07	0.00	4,639.79	15.6
CONTRACT SERVICES							
75,556.00	75,556.00	5,563.05	4,756.51	0.00	69,992.95	7.4	
Acct Class: 60 CAPITAL EXPENDITURES							

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For the Period: 7/1/2015 to 8/31/2015

Fund: 10 - GENERAL FUND

	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
<b>Expenditures</b>							
Dept: 80 PARKWAY TREES							
Acct Class: 60 CAPITAL EXPENDITURES							
6015 Trees	12,000.00	12,000.00	32.40	0.00	0.00	11,967.60	0.3
<b>CAPITAL EXPENDITURES</b>							
	12,000.00	12,000.00	32.40	0.00	0.00	11,967.60	0.3
<b>PARKWAY TREES</b>							
	110,181.00	110,181.00	9,297.76	6,455.03	0.00	100,883.24	8.4
Dept: 90 MINI-PARKS AND MEDIANS							
Acct Class: 40 SALARIES AND BENEFITS							
4001 Salaries - Full-time	652.00	652.00	110.38	52.67	0.00	541.62	16.9
4003 Salaries - Overtime	61.00	61.00	14.72	3.45	0.00	46.28	24.1
4010 Workers Compensation Insurance	180.00	180.00	26.85	10.33	0.00	153.15	14.9
4015 Federal Payroll Tax -FICA	71.00	71.00	9.60	4.30	0.00	61.40	13.5
4018 State Payroll Taxes	15.00	15.00	0.00	0.00	0.00	15.00	0.0
<b>SALARIES AND BENEFITS</b>							
	979.00	979.00	161.55	70.75	0.00	817.45	16.5
Acct Class: 50 OPERATIONS AND MAINTENANCE							
5020 Telephone	500.00	500.00	90.83	73.95	0.00	409.17	18.2
5022 Utilities	800.00	800.00	109.22	80.48	0.00	690.78	13.7
5023 Water	7,000.00	7,000.00	768.34	768.34	0.00	6,231.66	11.0
5030 Vehicle Maintenance	100.00	100.00	0.00	0.00	0.00	100.00	0.0
5032 Building & Grounds-Maintenance	1,000.00	1,000.00	296.63	292.22	0.00	703.37	29.7
5045 Miscellaneous Expenditures	100.00	100.00	0.00	0.00	0.00	100.00	0.0
5051 Equipment Rental	100.00	100.00	0.00	0.00	0.00	100.00	0.0
5052 Minor Facility Repairs	200.00	200.00	0.00	0.00	0.00	200.00	0.0
<b>OPERATIONS AND MAINTENANCE</b>							
	9,800.00	9,800.00	1,265.02	1,214.99	0.00	8,534.98	12.9
Acct Class: 56 CONTRACT SERVICES							
655 Landscape Maintenance	3,600.00	3,600.00	590.00	295.00	0.00	3,010.00	16.4
656 Tree Trimming	500.00	500.00	23.68	23.68	0.00	476.32	4.7
670 Other Professional Services	50.00	50.00	5.61	0.00	0.00	44.39	11.2
<b>CONTRACT SERVICES</b>							
	4,150.00	4,150.00	619.29	318.68	0.00	3,530.71	14.9
Acct Class: 60 CAPITAL EXPENDITURES							
010 Equipment	100.00	100.00	0.00	0.00	0.00	100.00	0.0
<b>CAPITAL EXPENDITURES</b>							
	100.00	100.00	0.00	0.00	0.00	100.00	0.0
<b>MINI-PARKS AND MEDIANS</b>							
	15,029.00	15,029.00	2,045.86	1,604.42	0.00	12,983.14	13.6
<b>Expenditures</b>	<b>1,295,060.00</b>	<b>1,295,060.00</b>	<b>233,288.23</b>	<b>114,930.19</b>	<b>0.00</b>	<b>1,061,771.77</b>	<b>18.0</b>

Net Effect for GENERAL FUND	5,882.00	5,882.00	-146,030.35	-43,662.05	0.00	151,912.35	2,482.7
Change in Fund Balance:			-146,030.35				

Fund: 20 - ASSESSMENT DISTRICT FUND-RUSH

<b>Revenues</b>							
Dept: 00							
Acct Class: 31 ASSESSMENTS							
100 Property assessments	380,000.00	380,000.00	4,234.67	0.00	0.00	375,765.33	1.1
101 Property assessments-prior yr	3,400.00	3,400.00	121.09	121.09	0.00	3,278.91	3.6
<b>ASSESSMENTS</b>							
	383,400.00	383,400.00	4,355.76	121.09	0.00	379,044.24	1.1
Dept: 00							
	383,400.00	383,400.00	4,355.76	121.09	0.00	379,044.24	1.1
<b>Revenues</b>	<b>383,400.00</b>	<b>383,400.00</b>	<b>4,355.76</b>	<b>121.09</b>	<b>0.00</b>	<b>379,044.24</b>	<b>1.1</b>

Expenditures  
Dept: 50 RUSH PARK  
Acct Class: 56 CONTRACT SERVICES

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For the Period: 7/1/2015 to 8/31/2015

Fund: 20 - ASSESSMENT DISTRICT FUND-RUSH

	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
<b>Expenditures</b>							
Dept: 50 RUSH PARK							
Acct Class: 56 CONTRACT SERVICES							
5617 Administrative Fees	20,000.00	20,000.00	0.00	0.00	0.00	20,000.00	0.0
5618 Bond Validation	3,048.00	3,048.00	0.00	0.00	0.00	3,048.00	0.0
5619 Bond Trustee	3,048.00	3,048.00	3,047.50	0.00	0.00	0.50	100.0
<b>CONTRACT SERVICES</b>	<b>26,096.00</b>	<b>26,096.00</b>	<b>3,047.50</b>	<b>0.00</b>	<b>0.00</b>	<b>23,048.50</b>	<b>11.7</b>
Acct Class: 58 DEBT SERVICE							
5800 Principal	245,000.00	245,000.00	245,000.00	0.00	0.00	0.00	100.0
5801 Interest	106,485.00	106,485.00	57,040.00	0.00	0.00	49,445.00	53.6
<b>DEBT SERVICE</b>	<b>351,485.00</b>	<b>351,485.00</b>	<b>302,040.00</b>	<b>0.00</b>	<b>0.00</b>	<b>49,445.00</b>	<b>85.9</b>
<b>RUSH PARK</b>							
Dept: 95 CONTINGENCY/RESERVES							
Acct Class: 59 RESERVES/CONTINGENCIES							
5720 Reserves	0.00	0.00	116.84	0.00	0.00	-116.84	0.0
<b>RESERVES/CONTINGENCIES</b>	<b>0.00</b>	<b>0.00</b>	<b>116.84</b>	<b>0.00</b>	<b>0.00</b>	<b>-116.84</b>	<b>0.0</b>
<b>CONTINGENCY/RESERVES</b>	<b>0.00</b>	<b>0.00</b>	<b>116.84</b>	<b>0.00</b>	<b>0.00</b>	<b>-116.84</b>	<b>0.0</b>
<b>Expenditures</b>	<b>377,581.00</b>	<b>377,581.00</b>	<b>305,204.34</b>	<b>0.00</b>	<b>0.00</b>	<b>72,376.66</b>	<b>80.8</b>

Net Effect for ASSESSMENT DISTRICT FUND-RUSH  
Change in Fund Balance:

Fund: 30 - SPECIAL TAX FUND-ROSSMOOR WALL

	5,819.00	5,819.00	-300,848.58	121.09	0.00	306,667.58-5,170.1	
			-300,848.58				
<b>Revenues</b>							
Dept: 00							
Acct Class: 31 ASSESSMENTS							
1100 Property assessments	87,700.00	87,700.00	971.84	0.00	0.00	86,728.16	1.1
1101 Property assessments-prior yr	780.00	780.00	26.76	26.76	0.00	753.24	3.4
<b>ASSESSMENTS</b>	<b>88,480.00</b>	<b>88,480.00</b>	<b>998.60</b>	<b>26.76</b>	<b>0.00</b>	<b>87,481.40</b>	<b>1.1</b>
<b>Dept: 00</b>	<b>88,480.00</b>	<b>88,480.00</b>	<b>998.60</b>	<b>26.76</b>	<b>0.00</b>	<b>87,481.40</b>	<b>1.1</b>
<b>Revenues</b>	<b>88,480.00</b>	<b>88,480.00</b>	<b>998.60</b>	<b>26.76</b>	<b>0.00</b>	<b>87,481.40</b>	<b>1.1</b>

Expenditures

Dept: 65 ROSSMOOR WALL							
Acct Class: 56 CONTRACT SERVICES							
619 Bond Trustee	2,640.00	2,640.00	0.00	0.00	0.00	2,640.00	0.0
<b>CONTRACT SERVICES</b>	<b>2,640.00</b>	<b>2,640.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,640.00</b>	<b>0.0</b>
Acct Class: 58 DEBT SERVICE							
300 Principal	70,000.00	70,000.00	70,000.00	0.00	0.00	0.00	100.0
301 Interest	11,020.00	11,020.00	6,525.00	0.00	0.00	4,495.00	59.2
<b>DEBT SERVICE</b>	<b>81,020.00</b>	<b>81,020.00</b>	<b>76,525.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,495.00</b>	<b>94.5</b>
<b>ROSSMOOR WALL</b>	<b>83,660.00</b>	<b>83,660.00</b>	<b>76,525.00</b>	<b>0.00</b>	<b>0.00</b>	<b>7,135.00</b>	<b>91.5</b>
<b>Expenditures</b>	<b>83,660.00</b>	<b>83,660.00</b>	<b>76,525.00</b>	<b>0.00</b>	<b>0.00</b>	<b>7,135.00</b>	<b>91.5</b>

Net Effect for SPECIAL TAX FUND-ROSSMOOR WALL  
Change in Fund Balance:

Fund: 40 - CAPITAL PROJECTS CONTRIBUTIONS

	4,820.00	4,820.00	-75,526.40	26.76	0.00	80,346.40-1,566.9	
			-75,526.40				

Revenues

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Rossmoor Community

For the Period: 7/1/2015 to 8/31/2015

Fund: 40 - CAPITAL PROJECTS CONTRIBUTIONS

	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
<b>Revenues</b>							
Dept: 00							
Acct Class: 30 PROPERTY TAXES							
2999 FY Begin Fund Balance	87,738.00	87,738.00	0.00	0.00	0.00	87,738.00	0.0
PROPERTY TAXES	87,738.00	87,738.00	0.00	0.00	0.00	87,738.00	0.0
Dept: 00	87,738.00	87,738.00	0.00	0.00	0.00	87,738.00	0.0
<b>Revenues</b>	87,738.00	87,738.00	0.00	0.00	0.00	87,738.00	0.0
<b>Expenditures</b>							
Dept: 30 ROSSMOOR PARK							
Acct Class: 60 CAPITAL EXPENDITURES							
005 Buildings and Improvements	11,266.00	11,266.00	0.00	0.00	0.00	11,266.00	0.0
CAPITAL EXPENDITURES	11,266.00	11,266.00	0.00	0.00	0.00	11,266.00	0.0
ROSSMOOR PARK	11,266.00	11,266.00	0.00	0.00	0.00	11,266.00	0.0
Dept: 50 RUSH PARK							
Acct Class: 60 CAPITAL EXPENDITURES							
005 Buildings and Improvements	35,000.00	35,000.00	4,993.65	0.00	0.00	30,006.35	14.3
CAPITAL EXPENDITURES	35,000.00	35,000.00	4,993.65	0.00	0.00	30,006.35	14.3
RUSH PARK	35,000.00	35,000.00	4,993.65	0.00	0.00	30,006.35	14.3
Dept: 75 CAPITAL PROJECTS							
Acct Class: 60 CAPITAL EXPENDITURES							
051 Water Conservation Projects	29,000.00	29,000.00	6,443.28	0.00	0.00	22,556.72	22.2
CAPITAL EXPENDITURES	29,000.00	29,000.00	6,443.28	0.00	0.00	22,556.72	22.2
CAPITAL PROJECTS	29,000.00	29,000.00	6,443.28	0.00	0.00	22,556.72	22.2
<b>Expenditures</b>	75,266.00	75,266.00	11,436.93	0.00	0.00	63,829.07	15.2
<b>Net Effect for CAPITAL PROJECTS CONTRIBUTIONS</b>	12,472.00	12,472.00	-11,436.93	0.00	0.00	23,908.93	-91.7
Change in Fund Balance:			-11,436.93				
<b>Grand Total Net Effect:</b>	28,993.00	28,993.00	-533,842.26	-43,514.20	0.00	562,835.26	



**ROSSMOOR COMMUNITY SERVICES DISTRICT**

**AGENDA ITEM H-1**

**Date:** October 13, 2015  
**To:** Honorable Board of Directors  
**From:** Audit Committee  
**Via:** General Manager  
**Subject:** AUDIT COMMITTEE REPORT RE: DISTRICT'S FY 2014-2015  
ANNUAL INDEPENDENT AUDITOR'S REPORT

**RECOMMENDATION:**

Receive the report of the Audit Committee and approve the FY 2014-2015 Annual Independent Auditor's Report.

**BACKGROUND:**

In accordance with Policy No. 3025, the Audit Committee met on September 29, 2015 with the District's Auditor and staff to review a draft of the District's FY 2013-2014 Annual Independent Auditor's Report. The Committee reviewed the report in detail.

This year, there were no management issues to report. Thus, no Management Letter was issued. The Committee was apprised by the Auditor that the District had received an unmodified audit, the highest rating possible.

During its deliberation on the audit, the Committee discussed several ancillary issues regarding the early retirement of the Rossmoor Wall Certificates of Participation and the District's Rush Park Bond. Audit Committee Agenda Item C-1 is attached which provides the staff's recommendations on these matters. After discussion, the Committee voted to refer the question of the Rossmoor Wall to the Board for discussion (Agenda Item D-1) and recommended deferring the Rush Park Bond matter to the Board's November meeting in order to provide staff with sufficient time to prepare a fiscal analysis of the Rush Park Bond issue.

**ROSSMOOR COMMUNITY SERVICES DISTRICT  
AGENDA ITEM C-1**

**MEMORANDUM**

**Date:** September 29, 2015  
**To:** Audit Committee  
**From:** James Ruth  
**Subject:** Meeting with Auditor

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Your Agenda package for this meeting includes a number of items. First is the FY 2014/2015 Draft Audit prepared by RAMS, the District's Auditor. Included in that document is a statement that the District is receiving an unqualified audit i.e., no reportable issues. In previous years, the Auditor made recommendations in the Management letter. However, this year there is no Management Letter due to the fact the Auditor had no issues or recommendations for Rossmoor Community Services District.

**Rossmoor Wall Certificates of Participation:**

2013-2014's Management Letter recommended that the District use excess reserve funds in Fund 30 (Rossmoor Wall) to pay down a portion of debt in the FY 2015 time frame. Staff identified a serious need to repair the wall which was showing signs of weathering in the form of a substantial number of deteriorating and/or crumbling bricks. Staff contacted the Trustee, U.S. Bank, to check the 1998 Rossmoor Wall Project – Installment and Sale. In reviewing the documents, (see attachment 2) it was determined that the excess reserve funds could be used to repair this problem. The subject was discussed at the 2013-2014 Audit Committee meeting and the Board voted to transfer \$70,000 from Fund 30 to CIP Fund 40 for repairs to the wall.

The FY 2014-2015 Financial Statement shows an ending Fund 30 Balance of \$109,390 (Page 36). Originally, FY 2016-2017 was scheduled as the final year of the Wall Assessment tax. This assessment is \$24.00 annually per property parcel. It is broken down into two tax payments of \$12.00 each.

It is proposed that the Audit Committee discuss the options of paying the debt off early in February 2016 and canceling the final year of the Wall Assessment (which would make February 2016 the final tax payment for residents) or continuing the assessment as originally planned.

Staff suggests that the Audit Committee recommend to the Board that staff proceed with paying off the remaining Wall Fund indebtedness. This action will not have a material impact on the District's cash flow.

### **Rush Park Bond:**

The FY 2014-2015 Financial Statement shows Rush Park Fund 50 as having an ending balance of \$214,803 (Page 38 of the Financial Statement). A early payment of \$495,000 comprised of Rush Park Fund 50 funds plus accumulated interest was made in September 2010. Since 2010, Fund 50 funds have increased to an amount of \$214,803. These funds cannot be used for anything other than paying the Rush Park Bond debt. The final payment for the bond is currently scheduled for September 9, 2021. The Reserve Account for the Rush Park Bond has a balance of \$361,251 which is the minimum reserve and therefore restricted. Also, the Investment Committee recommended and the Board approved that these reserve funds be invested in 2 and 3 year U.S. Agency Notes. This notes will not mature until June 2017 and June 2018 respectively. Moreover, early termination of our investments would result in substantial financial penalties.

The current premium due on the Rush Park Bond is \$1,595,000. It has been suggested that the Fund 50 balance of \$214,803 be used to pay down the premium, thus saving interest. Staff does not recommend this action based on cash flow issues, as shown in Attachment 5, and the limited benefit of that amount with respect to the annual payment schedule of \$1,595,000.

### **ATTACHMENTS:**

1. FY 2014-2015 Report on Audit Draft
2. Installment Sale Agreement May 1, 1998
3. Rossmoor Wall Early Pay Off Worksheet
4. Cash Flow Analysis Fund 30 /Rossmoor Wall Early Pay Off
5. 1998 Rossmoor Wall Project -Installment and Sale Agreement Section 4.06 (c)
6. Cash Flow Analysis Fund 50/ Pay down of Rush Park Bond

The Committee then voted to recommend Board approval of the FY 2014-2015 Independent Auditor's Report.

The District's Auditor will present an overview of the Report and answer questions as a prelude to the Board's discussion on the Auditor's Report.

**ATTACHMENTS:**

1. Audit Committee Agenda Item C-1 re: Meeting with Auditor including FY 2014-2015 Independent Auditor's Report dated June 30, 2015.
2. Draft Letter dated September 29, 2015 from Rogers, Anderson, Malody & Scott, LLP re: Conduct of the Audit.
3. Policy No. 3025 Annual Financial Audit.

**DRAFT**  
**Subject to Change**

**ROSSMOOR COMMUNITY  
SERVICES DISTRICT**

**FINANCIAL STATEMENTS**

**WITH INDEPENDENT  
AUDITOR'S REPORT**

**JUNE 30, 2015**

**Rossmoor Community Services District**

**Financial Statements with Independent Auditor's Report**  
**June 30, 2015**

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Board of Directors  
Rossmoor Community Services District  
Rossmoor, California

### **Independent Auditor's Report**

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Rossmoor Community Services District (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the State Controller's Minimum Audit Requirement for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit

procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

### **Other Matters**

#### *Required Supplementary Information*

Management has omitted the *Management's Discussion and Analysis* that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The accompanying major fund budgetary comparison schedules and the Statement of Changes in Fiduciary Assets and Liabilities - Agency Fund are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The major fund budgetary comparison schedules and the Statement of Changes in Fiduciary Assets and Liabilities - Agency Fund are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Rogers Anderson Matoly & Scott, LLP*

San Bernardino, California  
September \_\_, 2015

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**Statement of Net Position**  
**June 30, 2015**

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	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and investments	\$ 905,086
Investments held by fiscal agents	47,000
Accounts receivable	54,475
Taxes receivable	11,555
Interest receivable	691
Capital assets not being depreciated	2,949,669
Capital assets being depreciated, net	<u>2,014,157</u>
Total assets	<u>5,982,633</u>
<b>LIABILITIES</b>	
Accounts payable	32,282
Accrued liabilities	5,460
Deposits	4,229
Interest payable	5,438
Noncurrent liabilities:	
Due within one year	95,000
Due in more than one year	<u>158,785</u>
Total liabilities	<u>301,194</u>
<b>NET POSITION</b>	
Net investment in capital assets	4,738,826
Restricted for debt service	156,390
Unrestricted	<u>786,223</u>
Total net position	<u>\$ 5,681,439</u>

The accompanying notes are an integral part of these financial statements.

**Rossmoor Community Services District**

**Statement of Activities**  
**For the Year Ended June 30, 2015**

---

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for</u> <u>Services</u>	<u>Operating</u> <u>Grants and</u> <u>Contributions</u>
Governmental activities:			
General government	\$ 445,316	\$ -	\$ -
Public services	253,843	54,475	-
Parks and recreation	784,593	154,748	-
Interest and fiscal charges	16,005	-	-
	<hr/>	<hr/>	<hr/>
Total governmental activities	<u>\$ 1,499,757</u>	<u>\$ 209,223</u>	<u>\$ -</u>

General revenues:

- Taxes:
  - Property
  - Special assessments
- Investment income
- Other income

Total general revenues

Change in net position

Net position, beginning of year

Net position, end of year

The accompanying notes are an integral part of these financial statements.

<u>Capital Grants and Contributions</u>	<u>Net Governmental Activities</u>
\$ -	\$ (445,316)
-	(199,368)
-	(629,845)
-	(16,005)
<u>\$ -</u>	<u>(1,290,534)</u>

789,467
362,308
2,163
26,693
<u>1,180,631</u>
(109,903)
<u>5,791,342</u>
<u>\$ 5,681,439</u>

**Rossmoor Community Services District**

**Balance Sheet**  
**Governmental Funds**  
**June 30, 2015**

	Debt Service		
	General	PIFC	PIFC
		Fund 10	Rossmoor Wall Fund 30
<b>ASSETS</b>			
Cash and investments	\$ 662,072	\$ 108,418	\$ -
Investments held by fiscal agents	-	-	47,000
Receivables:			
Taxes	10,583	972	-
Accounts	54,475	-	-
Interest	691	-	-
<b>Total assets</b>	<b>\$ 727,821</b>	<b>\$ 109,390</b>	<b>\$ 47,000</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 27,288	\$ -	\$ -
Accrued liabilities	5,460	-	-
Deposits	4,229	-	-
<b>Total liabilities</b>	<b>36,977</b>	<b>-</b>	<b>-</b>
Fund balances:			
Restricted for:			
Debt service	-	109,390	47,000
Assigned to:			
Capital projects	-	-	-
Unassigned	690,844	-	-
<b>Total fund balances</b>	<b>690,844</b>	<b>109,390</b>	<b>47,000</b>
<b>Total liabilities and fund balances</b>	<b>\$ 727,821</b>	<b>\$ 109,390</b>	<b>\$ 47,000</b>

The accompanying notes are an integral part of these financial statements.

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<u>Capital Projects</u>	
<u>Capital Projects Contributions</u>	<u>Total Governmental Funds</u>
<u>Fund 40</u>	
\$ 134,596	\$ 905,086
-	47,000
-	11,555
-	54,475
-	691
\$ 134,596	\$ 1,018,807
\$ 4,994	\$ 32,282
-	5,460
-	4,229
4,994	41,971
-	156,390
129,602	129,602
-	690,844
129,602	976,836
\$ 134,596	\$ 1,018,807

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**Rossmoor Community Services District**

**Reconciliation of the Balance Sheet of  
Governmental Funds to the Statement of Net Position  
June 30, 2015**

---

<b>Fund balances of governmental funds</b>		<b>\$ 976,836</b>
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		4,963,826
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Certificates of participation payable	\$ (225,000)	
Compensated absences	(28,785)	
Interest payable	<u>(5,438)</u>	<u>(259,223)</u>
<b>Net position of governmental activities</b>		<b><u>\$ 5,681,439</u></b>

The accompanying notes are an integral part of these financial statements.

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2015**

	Debt Service		
	General	PIFC	PIFC
		Rossmoor	Rossmoor
	Wall	Wall Reserve	
	Fund 10	Fund 30	Fund 45
<b>REVENUES</b>			
Taxes	\$ 789,467	\$ -	\$ -
Special assessments	275,546	86,762	-
Intergovernmental	54,475	-	-
Charges for services	154,748	-	-
Investment income	2,163	-	-
Other	26,693	-	-
<b>Total revenues</b>	<b>1,303,092</b>	<b>86,762</b>	<b>-</b>
<b>EXPENDITURES</b>			
Current:			
General government	447,757	-	-
Public services	253,843	-	-
Parks and recreation	588,740	-	-
Capital outlay	24,626	-	-
Debt service:			
Principal retirement	-	65,000	-
Interest and fiscal charges	-	17,575	-
<b>Total expenditures</b>	<b>1,314,966</b>	<b>82,575</b>	<b>-</b>
Excess of revenues over (under) expenditures	(11,874)	4,187	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	(100,000)	-	-
Net change in fund balances	(111,874)	4,187	-
Fund balances, beginning of year	802,718	105,203	47,000
Fund balances, end of year	<b>\$ 690,844</b>	<b>\$ 109,390</b>	<b>\$ 47,000</b>

The accompanying notes are an integral part of these financial statements.

---

<u>Capital Projects</u>	
<u>Capital Projects Contributions</u>	<u>Total Governmental Funds</u>
<u>Fund 40</u>	
\$ -	\$ 789,467
-	362,308
-	54,475
-	154,748
-	2,163
-	26,693
-	1,389,854
-	447,757
-	253,843
1,050	589,790
67,032	91,658
-	65,000
-	17,575
68,082	1,465,623
(68,082)	(75,769)
100,000	-
31,918	(75,769)
97,684	1,052,605
\$ 129,602	\$ 976,836

**Rossmoor Community Services District**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended June 30, 2015**

---

**Net change in fund balances - total governmental funds** **\$ (75,769)**

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This is the amount by which depreciation expense (\$169,497) exceeded capitalized capital outlay (\$66,352) in the current period. (103,145)

The additions to and repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, they have no effect on net positions.

Principal payments on certificates of participation 65,000

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Decrease in compensated absences	\$	2,441	
Decrease in accrued interest on certificates of participation		1,570	4,011
		1,570	4,011

**Change in net position of governmental activities** **\$ (109,903)**

The accompanying notes are an integral part of these financial statements.

**Rossmoor Community Services District**

**Statement of Fiduciary Assets and Liabilities**  
**Agency Fund**  
**June 30, 2015**

---

	<u>Special Assessment Fund 50</u>
<b>ASSETS</b>	
Cash and investments	\$ 214,803
Investments held by fiscal agents	361,251
Assessments receivable	<u>4,235</u>
Total assets	<u>\$ 580,289</u>
<b>LIABILITIES</b>	
Due to bondholders	<u>\$ 580,289</u>

The accompanying notes are an integral part of these financial statements.

**Rossmoor Community Services District**

**Notes to Financial Statements**  
**June 30, 2015**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

On November 4, 1986, the territory of the unincorporated Rossmoor Community approved the order adopted on June 25, 1986 by the Board of Supervisors of the County of Orange ordering a reorganization resulting in the formation of the Rossmoor Community Services District (the District). The District was formed to acquire, provide and maintain public recreation facilities and services, street lighting, and, subject to the consent of the County of Orange, installation and maintenance of median landscaping, aesthetic trimming of parkway trees, and street sweeping.

Upon formation on January 1, 1987, the District assumed responsibility for the various services formerly provided by Community Service Area Number 21 and assumed all assets and liabilities, including real property, from Community Service Area Number 21.

The District is governed by a five member Board of Directors elected by the registered voters within the District boundaries.

As required by generally accepted accounting principles, the financial statements present the Rossmoor Community Services District (the primary government) and its component unit. The component unit discussed below is included in the District's reporting entity because of the significance of its operational or financial relationship with the District.

**Blended Component Unit**

The Rossmoor Community Services Public Improvements Financing Corporation (the Corporation) is governed by the District officers. Although it is legally separate from the District, the Corporation is reported as if it were part of the primary government because its sole purpose is to finance and construct the District's public facilities. This is a blended component unit. The funds of the Corporation are reported as a debt service fund and a capital projects fund. Certificates of Participation issued by the Corporation are reported in the Statement of Net Position.

**B. Basis of Presentation – Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District has no business-type activities.

**Rossmoor Community Services District**

**Notes to Financial Statements**  
**June 30, 2015**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Basis of Presentation – Government-wide and Fund Financial Statements (continued)**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The fund financial statements provide information about the District's funds, including its fiduciary fund and blended component unit. Separate statements for each fund category – governmental and fiduciary – are presented. The fiduciary fund is excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The General Fund is the general operating fund of the District. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. From this fund are paid the general operating expenses not paid through other funds. This fund correlates with Fund 10 in the District's annual budget.

The PIFC Rossmoor Wall Debt Service Fund is the Installment Payment Fund used to account for revenues and the payment of principal and interest related to the 1998 Certificates of Participation of the Public Improvement Financing Corporation (PIFC). This fund correlates with Fund 30 in the District's annual budget.

The PIFC Rossmoor Wall Reserve Debt Service Fund is used to account for the Reserve Fund for the 1998 Certificates of Participation. The reserve requirement is the lesser of the maximum annual debt service or 5% of the original principal amount of the certificates. This fund correlates with Fund 45 in the District's annual budget.

The Capital Projects Contributions Capital Projects Fund is used for the financing and construction of the District's public facilities. This fund correlates with Fund 40 in the District's annual budget.

**Notes to Financial Statements**  
**June 30, 2015**

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation – Government-wide and Fund Financial Statements (continued)

Additionally, the District reports the following fund types:

Fiduciary Fund:

The Agency Fund is used to account for assets held by the District as an agent for other parties and agencies. The assets held are related to the series 1993 park improvement bonds, which are the liability of the property owners and are secured by liens against the assessed properties. This fund correlates with Fund 50 in the District's annual budget.

Certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

C. Measurement Focus and Basis of Accounting

The government-wide and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Property taxes, special assessments, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District follows all pronouncements of the Governmental Accounting Standards Board (GASB).



**Notes to Financial Statements**  
**June 30, 2015**

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus and Basis of Accounting (continued)

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.
- Restricted – amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government), through constitutional provisions or by enabling legislation.
- Committed – amounts constrained to specific purposes by a government itself, using the highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.
- Assigned – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- Unassigned – amounts that are for any purpose; positive amounts are reported only in a general fund.

The District Board establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. The District has not designated any level of authority for assigning fund balance; therefore, the District Board can assign fund balance. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. It is the District's policy to consider committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

D. Assets, Liabilities and Net Position

1. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental activities columns in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are valued at the fair value of the assets on the date on which they were contributed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The District utilizes a capitalization threshold of \$5,000 and an estimated useful life in excess of two years.

**Rossmoor Community Services District**

**Notes to Financial Statements**  
**June 30, 2015**

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities and Net Position (continued)

3. Long-Term Liabilities

In the government-wide financial statements, long-term liabilities are reported as liabilities in the applicable governmental activities statement of net position.

4. Property Taxes

Property taxes are levied January 1 of each year, at which time they become an enforceable lien on real property. Taxes for the first installment are due on November 1, and are payable through December 10 without penalty. The second installment of taxes is due February 1, and becomes delinquent on April 10. Property taxes are remitted to the District from the County of Orange at various times throughout the year. Property taxes are recognized in accordance with the modified accrual basis of accounting.

5. Investments

Investments are stated at fair value (the value at which financial instruments could be exchanged in a current transaction between willing parties, other than in a forced liquidation sale).

6. Compensated Leave Benefits

Full-time District employees earn twelve sick leave days per year and ten to twenty vacation days per year depending on years of service. Part-time employees earn sick and vacation days at a pro-rated amount. Vacation days can only be used after one year of employment. Upon termination, the District is obligated to compensate employees for 100% of the accrued vacation time, and up to 80 hours of unused sick leave. Compensated absences are recorded in the long-term liabilities in the statement of net position.

7. Appropriations and Encumbrances

Unexpended and unencumbered appropriations of the governmental funds automatically lapse at the end of the fiscal year for noncapital projects.

8. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Rossmoor Community Services District**

**Notes to Financial Statements**  
**June 30, 2015**

---

**NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Data**

The annual District budgets for the General Fund, Capital Projects Funds and Debt Service Funds are prepared, approved and adopted in accordance with Section 61110 of the government code. Budgetary control is maintained at the total expenditure level of each fund. Any deficiency of budgeted revenues compared to budgeted expenditures is financed from beginning unrestricted fund balance. During the fiscal year, several nominal supplementary appropriations were necessary.

**B. Excess of Expenditures Over Appropriations**

For the year ended June 30, 2015, expenditures in excess of appropriations (legally adopted annual budget) in individual funds were as follows:

<u>Fund</u>	<u>Expenditures</u>	<u>Appropriations</u>	<u>Excess</u>
General Fund	\$ 1,314,966	\$ 1,308,762	\$ 6,204

**NOTE 3: DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

Cash and investments as of June 30, 2015 are classified in the accompanying financial statements as follows:

<b>Statement of net position:</b>	
Cash and investments	\$ 905,086
Investments held by fiscal agents	47,000
 <b>Statement of fiduciary assets and liabilities:</b>	
Cash and investments	214,803
Investments held by fiscal agents	<u>361,251</u>
<b>Total cash and investments</b>	<u><u>\$ 1,528,140</u></u>

**Rossmoor Community Services District**

**Notes to Financial Statements**  
**June 30, 2015**

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NOTE 3: DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Investments (continued)

Cash and investments as of June 30, 2015 consist of the following:

Deposits with financial institutions	\$ 41,990
Cash on hand	400
Investments	1,485,750
Total cash and investments	\$ 1,528,140

**Investments authorized by the California Government Code and the District's Investment Policy**

The table below identifies the investment types that are authorized by the District's investment policy. The table also identifies certain provisions of the District's investment policy that address interest rate risk, credit risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Securities, Notes and Bonds	5 Years	25%	\$250,000
Federal Agency or U.S. Government Securities	5 Years	25%	\$250,000
California State Bonds, Warrants and Treasury Notes	5 Years	25%	\$250,000
California Local Agency Investment Fund	N/A	100%	\$50 Million
Orange County Treasury	N/A	25%	None
Medium-Term U.S. Corporate Bonds or Notes	5 Years	25%	\$250,000
Bankers Acceptances	6 Months	25%	\$250,000
Certificates of Deposit	2 Years	25%	\$250,000

**Rossmoor Community Services District**

**Notes to Financial Statements**  
**June 30, 2015**

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NOTE 3: DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Investments (continued)

**Investments authorized by debt agreements**

Provisions of the debt agreements, rather than the general provisions of the California Government Code or the District's investment policy, govern investment of debt proceeds held by the bond trustee. The table below identifies the investment types that are authorized for investments held by the bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage Allowed	Maximum Investment in One Issuer
Federal Securities	None	None	None
U.S. District Securities	None	None	None
Commercial Paper	270 days	None	None
Money Market Mutual Funds	N/A	None	None
Investment Agreements	None	None	None
Certificates of Deposit, Savings Accounts	None	None	None
Municipal Obligations	None	None	None
Banker's Acceptances	1 year	None	None
U.S. Government Agencies	None	None	None

**Investment in State Investment Pool**

The Agency is a voluntary participant in the Local Agency Investment Fund (LAIF), which is part of the Pooled Money Investment Account that is regulated by the California Government Code under the oversight of the State Treasurer, Director of Finance and State Controller. The Agency may invest up to \$50 million in the LAIF fund. Investments in LAIF are highly liquid, as deposits can be converted to cash within 24 hours without loss of interest. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. All investments with LAIF are secured by the full faith and credit of the State of California. Separate LAIF financial statements are available from the California State Treasurer's Office on the Internet at <http://www.treasurer.ca.gov>.

**Disclosures relating to interest rate risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

**Rossmoor Community Services District**

**Notes to Financial Statements**  
**June 30, 2015**

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NOTE 3: DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Investments (continued)

**Disclosures relating to interest rate risk (continued)**

Information about the sensitivity of the fair values of the District's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

Investment Type	Total	12 months or less	12 months or more
State investment pool	\$ 1,077,499	\$ 1,077,499	\$ -
Held by fiscal agents:			
Money market	51,766	51,766	-
Federal agency securities	356,485	-	356,485
	<u>\$ 1,485,750</u>	<u>\$ 1,129,265</u>	<u>\$ 356,485</u>

**Disclosures relating to credit risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the District's investment policy or debt agreements, and the actual rating as of year-end for each investment type.

Investment Type	Total	Minimum Legal Rating	Rating as of Year End
State investment pool	\$ 1,077,499	N/A	Not rated
Held by fiscal agents:			
Money market	51,766	N/A	Not rated
Federal agency securities	356,485	N/A	AAA
	<u>\$ 1,485,750</u>		

Rossmoor Community Services District

Notes to Financial Statements  
June 30, 2015

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NOTE 3: DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Investments (continued)

**Concentration of credit risk**

The investment policy of the District limits investments to 25% of its investment portfolio in any one issuer, except in the state investment pool. For the year ended June 30, 2015, investments in any one issuer (other than external investment pools) were as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Reported Amount</u>
Federal Home Loan Bank	Federal Agency Securities	<u>\$ 356,485</u>

**Custodial credit risk**

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District's investment policy limits investments in certificates of deposit and corporate notes from one issuer to \$250,000. All other authorized deposits are subject to the following provision: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure governmental agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2015, the District had no deposits with financial institutions that were in excess of federal depository insurance limits.

**Fair value of investments**

The District reports its investments at fair value in the accompanying financial statements. All investment income, including changes in the fair value of investments, is recognized as revenue in the accompanying financial statements.

**Notes to Financial Statements**  
**June 30, 2015**

NOTE 3: DETAILED NOTES ON ALL FUNDS (continued)

B. Capital Assets

A summary of changes in capital assets activity for the District's governmental activities for the year ended June 30, 2015 is as follows.

	<u>Balance at June 30, 2014</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at June 30, 2015</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,861,158	\$ -	\$ -	\$ 2,861,158
Construction in progress	62,315	66,352	(40,156)	88,511
 Total capital assets, not being depreciated	 2,923,473	 66,352	 (40,156)	 2,949,669
Capital assets, being depreciated:				
Buildings and structures	4,192,747	40,156	-	4,232,903
Motorized vehicles	27,608	-	-	27,608
 Total capital assets, being depreciated	 4,220,355	 40,156	 -	 4,260,511
Less accumulated depreciation for:				
Buildings and structures	(2,051,810)	(166,936)	-	(2,218,746)
Motorized vehicles	(25,047)	(2,561)	-	(27,608)
 Total accumulated depreciation	 (2,076,857)	 (169,497)	 -	 (2,246,354)
 Total capital assets, being depreciated, net	 2,143,498	 (129,341)	 -	 2,014,157
 Governmental activities capital assets, net	 <u>\$ 5,066,971</u>	 <u>\$ (62,989)</u>	 <u>\$ (40,156)</u>	 <u>\$ 4,963,826</u>

Depreciation expense of \$169,497 was charged to the parks and recreation function/program in the statement of activities.



**Rossmoor Community Services District**

**Notes to Financial Statements**  
**June 30, 2015**

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NOTE 3: DETAILED NOTES ON ALL FUNDS (continued)

C. Summary of Changes in Long-term Liabilities

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015	Due within One Year
Compensated absences	\$ 31,226	\$ 46,840	\$ (49,281)	\$ 28,785	\$ 25,000
Certificates of participation	290,000	-	(65,000)	225,000	70,000
<b>Total</b>	<b>\$ 321,226</b>	<b>\$ 46,840</b>	<b>\$ (114,281)</b>	<b>\$ 253,785</b>	<b>\$ 95,000</b>

The Certificates of Participation are limited obligations of the District. The obligation will be repaid solely from and secured by a pledge of and first lien on special taxes to be levied on property in the District. The special taxes will be levied in the amounts and at the time approved by voters in the District.

The 1998 Certificates of Participation issued by the Rossmoor Community Services District Public Improvements Financing Corporation and outstanding at June 30, 2015, bear interest at 5.8% a year and mature serially in increasing amounts on each August 1, through 2017. Annual debt service payments are as follows:

Fiscal Year	Principal Amount	Interest Amount	Total
2016	\$ 70,000	\$ 13,050	\$ 83,050
2017	75,000	8,990	83,990
2018	80,000	4,640	84,640
	<b>\$ 225,000</b>	<b>\$ 26,680</b>	<b>\$ 251,680</b>

**Rossmoor Community Services District**

**Notes to Financial Statements**  
**June 30, 2015**

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NOTE 3: DETAILED NOTES ON ALL FUNDS (continued)

C. Summary of Changes in Long-term Liabilities (continued)

Special Assessment District Bonds

On June 10, 1993, the District issued \$5,000,000 of Series 1993 Limited Obligation Improvement Bonds for Landscaping and Lighting Assessment District No. 1991-1 (Rush School Site Acquisition Project) in accordance with the provisions of the Municipal Improvement Act 1915. The bonds are the liability of the property owners and are secured by liens against the assessed properties. The District acts as agent for collection of principal and interest payments by the property owners and remittance of such monies to the bondholders. Neither the faith and credit nor the general taxing power of the District have been pledged to the payment of the bonds. The bonds bear interest at 6.2% a year and mature on September 2, 2021. The balance of the bonds outstanding at June 30, 2015 was \$1,840,000.

D. Revenues

Property taxes and special assessments are collected by the County of Orange on behalf of the District and remitted to the District at various times during the year. Reimbursements from the State and the County are presented as intergovernmental revenues. Charges for services revenues represent fees collected for the use of District facilities. Investment income is derived from interest earnings and fair market value adjustments of the District's financial assets that are maintained in various investment types. Revenues not classified in one of the categories above are presented as other revenues.

Intergovernmental revenue for the year ended June 30, 2015 consists of County street sweeping reimbursements of \$54,475. These intergovernmental revenues are presented as program revenues under the public services function/program in the statement of activities.

E. Transfers To/From Other Funds

	<u>Transfer in:</u>
	Capital Projects
	Contributions (Fund 40)
<u>Transfer out:</u>	
General Fund (Fund 10)	<u>\$ 100,000</u>

Current year transfers were approved and budgeted for capital related projects.

**Rossmoor Community Services District**

**Notes to Financial Statements**  
**June 30, 2015**

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NOTE 4: OTHER INFORMATION

A. Risk Management

The District is a member of the Special District Risk Management Authority (SDRMA). The Authority was formed under a joint powers agreement pursuant to California Government Code Sections 6500 et seq. and 900 et seq. to provide a general liability, automotive liability and property damage, and errors and omissions risk financing for the member districts. Contribution development is based on the particular characteristics of the member districts.

The following audited financial data is presented as of and for the fiscal year ended June 30, 2014 for SDRMA (most recent data available):

Total assets	\$ 103,447,984
Total liabilities	<u>50,078,187</u>
Net position	<u>\$ 53,369,797</u>
Total revenues	\$ 52,425,452
Total expenses	<u>54,701,152</u>
Change in net position	<u>\$ (2,275,700)</u>

The District's precise share of the Authority's assets, liabilities, risk margin and changes therein during the fiscal year are not available.

Adequacy of Protection

During the past three fiscal years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

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**Required Supplementary Information**

Rossmoor Community Services District

**Required Supplementary Information**  
**General Fund (Fund 10)**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 753,613	\$ 767,129	\$ 789,467	\$ 22,338
Special assessments	258,000	265,000	275,546	10,546
Intergovernmental	57,800	60,800	54,475	(6,325)
Charges for services	159,900	159,900	154,748	(5,152)
Investment income	2,000	2,500	2,163	(337)
Other	23,500	58,500	26,693	(31,807)
<b>Total revenues</b>	<b>1,254,813</b>	<b>1,313,829</b>	<b>1,303,092</b>	<b>(10,737)</b>
<b>EXPENDITURES</b>				
Current:				
General government	385,200	416,141	447,757	(31,616)
Public services	258,935	250,435	253,843	(3,408)
Parks and recreation	585,672	610,536	588,740	21,796
Capital outlay	20,650	31,650	24,626	7,024
<b>Total expenditures</b>	<b>1,250,457</b>	<b>1,308,762</b>	<b>1,314,966</b>	<b>(6,204)</b>
Excess of revenues over (under) expenditures	4,356	5,067	(11,874)	(16,941)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in (out)	(100,000)	(100,000)	(100,000)	-
Net change in fund balance	(95,644)	(94,933)	(111,874)	(16,941)
Fund balance, beginning of year	802,718	802,718	802,718	-
Fund balance, end of year	<b>\$ 707,074</b>	<b>\$ 707,785</b>	<b>\$ 690,844</b>	<b>\$ (16,941)</b>

**Rossmoor Community Services District**

**Notes to Required Supplementary Information**  
**June 30, 2015**

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Budgets and Budgetary Accounting

The annual District budget for the General Fund is prepared, approved and adopted in accordance with Section 61110 of the government code. Budgetary control is maintained at the total expenditure level of each fund. Any deficiency of budgeted revenues compared to budgeted expenditures is financed from beginning unassigned fund balance. During the fiscal year, several nominal supplementary appropriations were necessary.

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**Supplementary Information**

**Rossmoor Community Services District**

**Public Improvements Financing Corporation  
Rossmoor Wall Debt Service Fund (Fund 30)**

**Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Special assessments	\$ 88,480	\$ 88,480	\$ 86,762	\$ (1,718)
Investment income	1,000	1,000	-	(1,000)
Total revenues	<u>89,480</u>	<u>89,480</u>	<u>86,762</u>	<u>(2,718)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal retirement	65,000	65,000	65,000	-
Interest and fiscal charges	17,465	17,575	17,575	-
Total expenditures	<u>82,465</u>	<u>82,575</u>	<u>82,575</u>	<u>-</u>
Excess of revenues over (under) expenditures	7,015	6,905	4,187	(2,718)
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	-	-	-
Net change in fund balance	7,015	6,905	4,187	(2,718)
Fund balance, beginning of year	<u>105,203</u>	<u>105,203</u>	<u>105,203</u>	<u>-</u>
Fund balance, end of year	<u>\$ 112,218</u>	<u>\$ 112,108</u>	<u>\$ 109,390</u>	<u>\$ (2,718)</u>

Rossmoor Community Services District

**Capital Projects Contributions Capital Projects Fund (Fund 40)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Parks and recreation	-	-	1,050	(1,050)
Capital outlay	94,000	160,755	67,032	93,723
Total expenditures	94,000	160,755	68,082	92,673
Excess of revenues over (under) expenditures	(94,000)	(160,755)	(68,082)	92,673
<b>OTHER FINANCING SOURCES</b>				
Transfers in	100,000	100,000	100,000	-
Net change in fund balance	6,000	(60,755)	31,918	92,673
Fund balance, beginning of year	97,684	97,684	97,684	-
Fund balance, end of year	<u>\$ 103,684</u>	<u>\$ 36,929</u>	<u>\$ 129,602</u>	<u>\$ 92,673</u>

Rossmoor Community Services District

**Statement of Changes in Fiduciary  
Assets and Liabilities – Agency Fund (Fund 50)  
For the Year Ended June 30, 2015**

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<b>Special Assesment Fund</b>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Assets</b>				
Cash and investments	\$ 217,850	\$ 371,211	\$ 374,258	\$ 214,803
Investments held by fiscal agents	352,272	380,307	371,328	361,251
Assessments receivable	4,355	4,235	4,355	4,235
Total assets	<u>\$ 574,477</u>	<u>\$ 755,753</u>	<u>\$ 749,941</u>	<u>\$ 580,289</u>
<b>Liabilities</b>				
Due to bondholders	<u>\$ 574,477</u>	<u>\$ 755,753</u>	<u>\$ 749,941</u>	<u>\$ 580,289</u>

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**INSTALLMENT SALE AGREEMENT**

**Dated as of May 1, 1998**

**by and between the**

**ROSSMOOR COMMUNITY SERVICES PUBLIC IMPROVEMENTS  
FINANCING CORPORATION, as Seller**

**and the**

**ROSSMOOR COMMUNITY SERVICES DISTRICT, as Purchaser**

**\$1,050,000  
Certificates of Participation  
(1998 Rossmoor Wall Project)**

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any cause, including, without limiting the generality of the foregoing, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Project, the taking by eminent domain of title to or temporary use of any or all of the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either thereof or any failure of the Corporation or the Trustee to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Trust Agreement, the Assignment Agreement or this Installment Sale Agreement.

Nothing contained in this Section 4.05 shall be construed to release the Corporation from the performance of any of the agreements on its part herein contained, and in the event the Corporation shall fail to perform any such agreements on its part, the District may institute such action against the Corporation as the District may deem necessary to compel performance so long as such action does not abrogate the obligations of the District contained in the first sentence of the preceding paragraph. The District may, however, at the District's own cost and expense and in the District's own name or in the name of the Corporation prosecute or defend any action or proceeding or take any other action involving third persons which the District deems reasonably necessary in order to secure or protect the District's right of possession, occupancy and use hereunder, and in such event the Corporation hereby agrees to cooperate fully with the District and to take such action necessary to effect the substitution of the District for the Corporation in such action or proceeding if the District shall so request.

Section 4.06. Pledge of Special Tax Revenues; Deposits to Pay Installment Payments; Release from Lien.

(a) *Pledge of Special Tax Revenues.* The District hereby agrees that the payment of the Installment Payments shall be secured by a pledge, charge and first and prior lien upon Special Tax Revenues, and Special Tax Revenues sufficient to pay the Installment Payments as they become due and payable are hereby pledged, charged, assigned, transferred and set over by the District to the Corporation and its assigns for the purpose of securing payment of the Installment Payments. The Special Tax Revenues shall constitute a trust fund for the security and payment of the Installment Payments.

(b) *Transfer to Pay Installment Payments.* In order to provide for the payment of Installment Payments when due, the District shall, on or before each Installment Payment Date, transfer to the Trustee for deposit into the Installment Payment Fund the amount indicated in Exhibit C attached hereto as required for the next occurring Installment Payment Date. Notwithstanding Exhibit C attached hereto, the District shall be

obligated to make Installment Payments sufficient to pay all principal and interest due with respect to the Certificates.

(c) Release from Lien. Following the transfer described in paragraph (b) of this Section 4.06 with respect to the August 1 Installment Payment Date, Special Tax Revenues in excess of amounts required for the payment of Installment Payments and for the replenishment of the Reserve Fund, in that Certificate Year shall be released from the lien of this Installment Sale Agreement and shall be available for any lawful purpose of the District.

Section 4.07. Limitations on Future Obligations Secured by District Revenues.

(a) No Obligations Superior to Installment Payments. In order to protect further the availability of the Special Tax Revenues and the security for the Installment Payments the District hereby agrees that the District shall not, so long as any Certificates are outstanding, issue or incur any obligations payable from Special Tax Revenues superior to or on a parity with the Installment Payments.

(b) Subordinate Debt. The District may issue or incur Subordinate Debt so long as it is not in default hereunder.

Section 4.09. Additional Payments. In addition to the Installment Payments, the District shall pay, from Special Tax Revenues, when due, all costs and expenses incurred by the Corporation to comply with the provisions of the Trust Agreement and this Installment Sale Agreement, including, without limitation all Delivery Costs (to the extent not paid from amounts on deposit in the Delivery Costs Fund), compensation due to the Trustee for its fees, costs and expenses incurred under the Trust Agreement and the Assignment Agreement, compensation due to the Corporation for its fees, costs and expenses incurred under the Trust Agreement and all costs and expenses of attorneys, auditors, engineers and accountants.

Section 4.10. Payments to Reserve Fund. In addition to the Installment Payments, the District shall pay to the Trustee, from Special Tax Revenues, such amounts as shall be required to replenish the Reserve Fund in the event of a draw therefrom or a valuation determines that a deficiency exists therein, all in accordance with Section 6.06 of the Trust Agreement.

**Fund 30 Rossmoor Wall  
Early Pay Off**

<b>Current Payment Schedule:</b>			
<b>(Beginning Fund Balance for Fund 30 \$109,390)</b>			
	Principal	Interest	Total
February 1, 2016		\$4,495	\$4,495
August 1, 2016	\$75,000	\$4,495	\$79,495
February 1, 2017		\$2,320	\$2,320
August 1, 2017	\$80,000	\$2,320	\$82,320
<b>Total Due August 1, 2017</b>	<b>\$155,000</b>	<b>\$13,630</b>	<b>\$168,630</b>
<hr/>			
Scheduled Payment August 1, 2017			\$168,630
Early Pay off 2/1/2016	\$155,000	\$4,495	(\$159,495)
		(Note: Interest Saving )	\$9,135
<hr/>			
<b>Early Pay Off February 1, 2016:</b>		<b>\$159,495</b>	
Reserve in US Bank be used in payoff	\$47,000		
Left to Pay		\$112,495	
Additional Assessment 2015-2016	\$87,432		
Remaining Left To Pay		\$25,063	
Required to withdraw from Fund 30 Fund Balance	\$25,063		
2015-2016 Beginning Fund Balance/Fund 30			\$109,390
Minus required amount to withdraw from Fund 30 Fund Balance			(\$25,063)
<b>Ending Fund 30 Balance available for Wall Repair</b>			<b>\$84,327</b>
<hr/>			
<b>Scheduled Payment August 1, 2017:</b>		<b>\$168,630</b>	
Reserve in US Bank be used in payoff	\$47,000		
Left to Pay		\$121,630	
Additional Assessment 2015-2016 for pay off	\$87,432		
Left To Pay (including \$9,135 interest)		\$34,198	
Additional Assessment 2016-2017	\$87,432		
Excess Assessments		\$53,234	
2015-2016 Beginning Fund Balance/Fund 30			\$109,390
Excess Assessments			\$53,234
<b>Ending Fund 30 Balance available for Wall Repair</b>			<b>\$162,624</b>



**Fund 30 Early Pay Off**  
**Cash Flow Analysis January 2014-August 2015**

	Emergency Reserve				Available Cash	Available Cash
	Bank & LAIF Balance	Fund (Unavailable Cash)	\$25,063 Paydown of Rush Park Bond	\$25,063 Paydown of Rush Park Bond		
January 31, 2014	\$1,164,516	(\$250,000)			\$914,516	\$889,453
February 28, 2014	\$999,327	(\$250,000)			\$749,327	\$724,264
March 31, 2014	\$994,979	(\$250,000)			\$744,979	\$719,916
April 30, 2014	\$1,392,146	(\$250,000)			\$1,142,146	\$1,117,083
May 31, 2014	\$1,319,403	(\$250,000)			\$1,069,403	\$1,044,340
June 30, 2014	\$1,221,338	(\$250,000)			\$971,338	\$946,275
July 31, 2014	\$724,531	(\$250,000)			\$474,531	\$449,468
August 31, 2014	\$591,935	(\$250,000)			\$341,935	\$316,872
September 30, 2014	\$575,393	(\$250,000)			\$325,393	\$300,330
October 31, 2014	\$449,236	(\$250,000)			\$199,236	\$174,173
November 30, 2014	\$472,452	(\$250,000)			\$222,452	\$197,389
December 31, 2015	\$1,014,207	(\$250,000)			\$764,207	\$739,144
January 31, 2015	\$927,008	(\$250,000)			\$677,008	\$651,945
February 28, 2015	\$843,388	(\$250,000)			\$593,388	\$568,325
March 31, 2015	\$864,118	(\$250,000)			\$614,118	\$589,055
April 1, 1931	\$1,238,777	(\$250,000)			\$988,777	\$963,714
May 31, 2015	\$1,186,861	(\$250,000)			\$936,861	\$911,798
June 30, 2015	\$1,119,489	(\$250,000)			\$869,489	\$844,426
July 31, 2015	\$629,054	(\$250,000)			\$379,054	\$353,991
August 31, 2015	\$586,282	(\$250,000)			\$336,282	\$311,219

**Rush Park Early Pay Down (Fund 50)**  
**Cash Flow Analysis January 2014-August 2015**

	Fund Emergency Reserve				Available Cash	\$210,000 Paydown of Rush Park Bond	Available Cash
	Bank & LAIF Balance	(Unavailable Cash)	Available Cash	\$210,000 Paydown of Rush Park Bond			
January 31, 2014	\$1,164,516	(\$250,000)	\$914,516	(\$210,000)	\$704,516		
February 28, 2014	\$999,327	(\$250,000)	\$749,327	(\$210,000)	\$539,327		
March 31, 2014	\$994,979	(\$250,000)	\$744,979	(\$210,000)	\$534,979		
April 30, 2014	\$1,392,146	(\$250,000)	\$1,142,146	(\$210,000)	\$932,146		
May 31, 2014	\$1,319,403	(\$250,000)	\$1,069,403	(\$210,000)	\$859,403		
June 30, 2014	\$1,221,338	(\$250,000)	\$971,338	(\$210,000)	\$761,338		
July 31, 2014	\$724,531	(\$250,000)	\$474,531	(\$210,000)	\$264,531		
August 31, 2014	\$591,935	(\$250,000)	\$341,935	(\$210,000)	\$131,935		
September 30, 2014	\$575,393	(\$250,000)	\$325,393	(\$210,000)	\$115,393		
October 31, 2014	\$449,236	(\$250,000)	\$199,236	(\$210,000)	(\$10,764)		
November 30, 2014	\$472,452	(\$250,000)	\$222,452	(\$210,000)	\$12,452		
December 31, 2014	\$1,014,207	(\$250,000)	\$764,207	(\$210,000)	\$554,207		
January 31, 2015	\$927,008	(\$250,000)	\$677,008	(\$210,000)	\$467,008		
February 28, 2015	\$843,388	(\$250,000)	\$593,388	(\$210,000)	\$383,388		
March 31, 2015	\$864,118	(\$250,000)	\$614,118	(\$210,000)	\$404,118		
April 30, 2015	\$1,238,777	(\$250,000)	\$988,777	(\$210,000)	\$778,777		
May 31, 2015	\$1,186,861	(\$250,000)	\$936,861	(\$210,000)	\$726,861		
June 30, 2015	\$1,119,489	(\$250,000)	\$869,489	(\$210,000)	\$659,489		
July 31, 2015	\$629,054	(\$250,000)	\$379,054	(\$210,000)	\$169,054		
August 31, 2015	\$586,282	(\$250,000)	\$336,282	(\$210,000)	\$126,282		

**DRAFT**  
**Subject to Change**

September 29, 2015

To the Board of Directors  
Rossmoor Community Services District

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Rossmoor Community Services District (District) as of and for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 8, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the District's financial statements was:

**Subject to Change**

Management's estimate of the depreciation expense and related accumulated depreciation is based on the estimated useful lives of the depreciable capital assets. We evaluated the key factors and assumptions used to determine the useful lives of the capital assets in determining that depreciation and accumulated depreciation is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated September 29, 2015.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

**DRAFT**  
**Subject to Change**

Other Matters

We applied certain limited procedures to RSI, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

ROGERS, ANDERSON, MALODY & SCOTT, LLP

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Terry P. Shea, CPA

Rossmoor Community Services District**Policy****No. 3025**

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**ANNUAL FINANCIAL AUDIT**

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**3025.00** Policy: The integrity of the financial records of the Rossmoor Community Services District constitutes a non-delegable duty of its elected Board of Directors. To assure accuracy of these records and to insure the independence of the firm selected to perform District audit services, the Board will consider, in its discretion, soliciting proposals for a new audit service contract at least once every three years.

**3025.10** Audit Committee: The Audit Committee is comprised of two Board members and the General Manager. The President of the Board appoints members to the Committee.

**3025.20** Audit Term: An independent financial audit shall be performed annually as soon as practicable after the end of the fiscal year.

**3025.30** Audit Approval: Audit findings will first be reviewed by the General Manager who shall then request a meeting of the Audit Committee. The Committee will review the Draft Audit Report with the Auditor and make recommendations, if needed. The findings of the Audit Committee regarding the Draft Audit will be reported to the Board for its review and approval. The Board will also consider findings, if any, which may be contained in a Management Letter and direct the General Manager to take appropriate action. Relevant financial information contained in the Final Audit, showing Fund Balances and tying them to the budget, will be integrated into the Final Budget document for publication and distribution as the District's operating budget.

Converted from Resolutions 93-2 & 95-1  
Amended: February 11, 2003  
Amended: September 14, 2004  
Amended: October 9, 2007  
Amended: January 13, 2009

**ROSSMOOR COMMUNITY SERVICES DISTRICT**

**AGENDA ITEM H-2**

**Date:** October 13, 2015  
**To:** Honorable Board of Directors  
**From:** Park & Facilities Committee  
**Via:** General Manager  
**Subject:** AMENDED FEE SCHEDULE

**RECOMMENDATION:**

Adopt proposed amendments to FY 2014-2015 Fee Schedule re: For Profit Use of Parks.

**BACKGROUND:**

At your September meeting, the Board approved guidelines for the use of District parks by for profit organizations. The Board also approved a Park Use Agreement for a for profit fitness group which contained fees for those uses. The current Fee Schedule only includes fees and charges for nonprofit and resident users. It is deemed appropriate to include this new category of fees and charges in new FY 2015-2016 Fee Schedule.

**ATTACHMENTS:**

1. Proposed FY 2015-2016 Fee Schedule.
2. Policy No. 6015 Establishment of Fees and Charges for the Use of District Property.



# RCSD FEE SCHEDULE 2015/2016

## MISC. RENTAL FEES (per use)

Podium	\$50
Portable Screen	\$15
Risers	\$30

**RUSH PARK** 3001 Blume Dr., Rossmoor, CA 90720

FACILITIES	RES	NON RES	CAP
Auditorium	\$57 hr.	\$78.00 hr.	300-600
300+ Guests	\$77 hr.	\$98.00 hr.	300-600
East Rm	\$15 hr.	\$20.50 hr.	30
Kitchen	\$42.50 hr.	\$60 hr.	N/A

FIELDS	RES	NON RES	Softball
Fields 1, 2, 3,4	\$12.00 hr.	\$18.50 hr.	Soccer

**HOURLY FEES:** EVENT ATTENDANT (4 hr. min.) \$20

An Event Attendant may be mandatorily assigned to oversee your event as determined by the RCSD

PICNIC SITES	RESIDENTS ONLY
Canopy A	\$30+
Site B	\$21+
<b>Flat Rate + Permit Fee</b>	

MINI-PARKS	RESIDENTS ONLY
Kempton Rd.	\$21+
<b>Flat Rate + Permit Fee</b>	

**BOUNCE HOUSE FEE: \$15**

**WALL BANNER PERMIT FEE: \$20**

**ROSSMOOR PARK** 3232 Hedwig Rd., Rossmoor, CA 90720

FACILITIES	RES	NON RES	CAP
Community Rm	\$30 hr.	\$41 hr.	40-50
Kitchen	\$16.50 hr.	\$24 hr.	N/A

PICNIC AREAS	RESIDENTS ONLY
Sites A,B,C	Flat Rate: \$21 +
MINI-PARKS	RESIDENTS ONLY
Foster Road	Flat Rate: \$21 +
<b>Flat Rate + Permit Fee</b>	

**BOUNCE HOUSE FEE: \$15**

**\$60 Picnic Deposit (Over 100 people)**

FIELDS	RES	NON RES
Ball Fields	\$12.00hr.	\$18.50hr.
Basketball Cts.	\$12.00hr.	\$18.50 hr.
Volleyball Cts.	\$12.00hr.	\$18.50 hr.
TENNIS COURTS 1/2/3/4		
Day Rate	\$6 hr.	\$8 hr.
M-F: 5-9 pm	\$8 hr.	\$10 hr.
& Weekends	<b>PER HR.</b>	

Denotes Residents Only

**MONTECITO CENTER** 12341 Montecito Rd., Rossmoor, CA 90720

FACILITIES	RES	NON RES	CAP
Commy. Rms	\$26 hr.	\$35 hr.	75

REFUNDABLE DEPOSITS	
Event Deposit (over 100 people)	\$60
Picnic Deposit	\$60
Cleaning/Damage Deposit	\$175
Key/Gate Deposit	\$25
300+ Guest Deposit	\$350
Alcohol Cleaning/Damage Deposit	\$350

- Applications are processed on a first come/first served basis.
  - Setup/Takedown, within reservation timeframe, is renter's responsibility.
  - Children under 18 yrs. require adult chaperones in ratio of 1 to 10.
  - User Permits/Indemnification are mandatory for all rentals & Permits for a gathering of 50 or more people.
  - A million dollar insurance policy naming RCSD as additional insured is required for gatherings of over 150 people.
- THIS LIST IS NOT ALL INCLUSIVE

FEES		FEES (Other)	
User Permit Fee	\$20	False Alarm Fee	\$74
UP Change Fee (2 <sup>nd</sup> )	\$20	Check NSF	\$25
Special Event /Alcohol Filing Fee (*Due at time of application submission)	\$50	As per Policy 6012.73	
Appeal Fee	\$50	As per Policy 6015.15	
Alcohol Event Fee	\$150	(Contingent Upon ABC Approval)	

As determined by GM for special equipment/activity/staff callout in lieu of an Event Attendant.





# RCSD FEE SCHEDULE

## DEDICATED SPACE/NON PROFIT/FOR PROFIT RATES

### 2015/2016

INTERNAL USE ONLY



**RUSH PARK 3001 Blume Dr., Rossmoor, CA 90720**

#### DEDICATED SPACE

FACILITIES	FLAT RATE
East Rm. Storage	\$650
Rm by Old Sheriff's Office	\$1,500
Aud. Storage Rm. 1	\$1,500
Aud. Storage Rm. 2	\$1,500

FACILITIES	N/P	CAP
<b>Auditorium</b>	<b>\$45 hr.</b>	<b>299</b>
<b>Auditorium</b>	<b>\$65 hr.</b>	<b>300+</b>
<b>East Rm</b>	<b>\$11 hr.</b>	<b>30</b>

FIELDS-Hourly	N/P	Fields
<b>Softball &amp; Soccer</b>	<b>\$6 hr.</b>	<b>1, 2, 3, 4</b>

#### DONATED SPACE

FACILITIES	RATE
N/A	\$0

#### DUAL PURPOSE SPACE

FACILITIES	N/P	CAP
West Rm	\$9 hr.	15

Calvary & N/P ONLY and  
RCSD Dedicated Meeting Space

#### FIELDS: FOR PROFIT HOURLY RATES

CONTRACT	RATE
*Long Term	\$10 hr.
Short Term	\$20 hr.
*Minimum of 1 year	



**ROSSMOOR PARK 3232 Hedwig Rd., Rossmoor, CA 90720**

FACILITIES	N/P	CAP
Community Rm.	\$25 hr.	40-50
Kitchen	\$13 hr.	N/A

FIELDS-Hourly	N/P	Fields
<b>Softball &amp; Soccer</b>	<b>\$6 hr.</b>	<b>1, 2, 3</b>
<b>Basketball</b>	<b>\$8 hr.</b>	<b>Courts</b>
<b>Volleyball</b>	<b>\$6 hr.</b>	<b>Court</b>

#### DONATED SPACE

FACILITIES	RATE
Sheriff's Office	\$0



**MONTECITO CENTER 12341 Montecito Rd., Rossmoor, CA 90720**

FACILITIES	N/P	CAP
Community Rms.	\$21.50	75

#### DONATED SPACE

FACILITIES	RATE
Pre-School Storage Sheds	\$0
RHA Storage Shed	\$0

## ROSSMOOR COMMUNITY SERVICES DISTRICT

**Policy**

**No. 6015**

### **ESTABLISHMENT OF FEES AND CHARGES FOR USE OF DISTRICT PROPERTY**

**6015.00** Facility Use: A primary purpose of the District is to operate buildings and recreational facilities for the benefit of residents.

**6015.10** Facility Fees And Charges: The Board shall review the schedule of facility fees and charges annually, prior to adoption of the District's Final Budget, and make changes when appropriate in order to reflect the District's actual direct and indirect costs. Fees and Charges include, but are not limited to user fees, security deposits, event attendant fees, key and alarm deposits and cleaning deposits. The General Manager shall maintain a current schedule of fees and charges and make copies available upon request. Fees and charges which are adjusted by the Board during the period of use shall be charged or refunded to the applicant on a prorated basis.

**6015.11** Deposits Required: All deposits required in the Schedule of Fees and Charges shall apply to short-term users, as well as long-term and dedicated users, i.e. key deposits, cleaning deposits, etc unless exempted within the Schedule of Fees and Charges. All deposits shall be kept current during the period of use; i.e., cleaning deposits used by the District for remedial action shall be resubmitted by the renter to constitute a current full deposit.

**6015.12** Clean-up Following Use: Clean up of indoor and outdoor park facilities and replacing tables and/or chairs is the responsibility of the user. Users are required to clean up park and facility used, wipe counters and equipment, clean up any spillage, bag all trash and remove all supplies not provided by the District. Users shall report any malfunctioning equipment to the District Office for repair/replacement. If cleanup is not accomplished at an acceptable standard and the use of District employees is required to meet an acceptable standard, an appropriate amount shall be withheld from the deposit at the discretion of the General Manager to cover the additional labor and material costs.

**6015.13** Event Attendant Fees: The District may determine, in its sole discretion, to require that an Event Attendant be assigned to oversee the event or other use of District property. Said event Attendant shall be an employee or other agent of the District and shall oversee and otherwise monitor the activities and use of the applicable facility to determine whether the user is properly using the facility. For example, and not by way of limitation, the Event Attendant shall monitor: (a) activities, use and treatment of District property; (b) opening/unlocking and closing/locking of the facility; and (c) setting/turning off an alarm system. In the event the District requires an event Attendant, the applicable Event Attendant Fess shall be imposed pursuant to the applicable District policy. Cancellation of event less than five (5) business days prior to the event shall result in loss of Event Attendant Fees from deposit.

**6015.14** Event Deposit: The District may determine, in its sole discretion, to require the payment of an Event Deposit in the amount set forth in the applicable District policy. The Event Deposit

shall be applied toward any costs and expenses incurred by the District in responding to issue/questions which arise from the activity or event and/or otherwise taking action to bring the event, use or activity into compliance with the applicable District policy. For example, and not by way of limitation, the District may incur expenses in connection with assisting, and/or performing, activities related to (a) use and treatment of District property; (b) opening/unlocking and closing/locking of the facility; and (c) setting/turning off an alarm system. If Event Attendant is not required, events with more than 100 attendees shall be required to pay the event deposit.

**6015.15 Option of Event Attendant Or Event Deposit:** The District may determine, in its sole discretion, to permit the user to elect to pay Event Attendant Fees for an Event Attendant or to pay the Event Deposit. The District retains the authority to determine, in its sole discretion, to require the user to pay the Event Attendant Fees or the Event Deposit. A user will not be charged both Event Attendant Fees and an Event Deposit for the same event/use.

**6015.16 Return of Deposits:** At the termination of the User Permit period, all applicable deposits shall be returned to the renters within a reasonable time period for processing payment and to determine if all deposit conditions have been met. The General Manager shall have the discretion to determine if all or only part of a deposit shall be returned based on his/her assessment of the condition of the building or facility at the end of the fixed period of time. See Policy No. 6010 Requests for Use of District Property, for other conditions.

**6015.17 Hourly Rates:** Hourly rates posted in the Schedule of Fees and Charges are for full hour usage. Any usage for less than an hour, or any usage that exceeds an hour, shall be rounded up to, and charged for, the full hour. Hourly fees apply to each hour of usage including set up and tear down time. Fees for tennis court reservations which are designated as one and one half hours are per reservation and cannot be rolled up.

**6015.18 Per Diem Rates:** Per diem rates are posted in the Schedule of Fees and Charges and are for full day usage such as reserving of a picnic area for the day.

**6015.19 Appeal to the Board:** A user who disputes the decision of the General Manager regarding the refund of deposits or calculation of fees may appeal that decision to the Board by filing a written request to the General Manager for the matter to be placed on the agenda for the next scheduled Board meeting.

**6015.20 Fee Schedule:** The current fee schedule is attached to and made a part of this policy.

Adopted: Resolution 99-12-8-1, December 8, 1999  
Adopted: Resolution 00-12-14-01, December 14, 2000  
Adopted: Policy 6015, June 10, 2003  
Amended: November 8, 2005  
Amended: August 12, 2008  
Amended: July 10, 2012

**ROSSMOOR COMMUNITY SERVICES DISTRICT**

**AGENDA ITEM H-3**

**Date:** October 13, 2015  
**To:** Honorable Board of Directors  
**From:** General Manager  
**Subject:** REQUEST BY THE ROSSMOOR HOMEOWNERS ASSOCIATION (RHA) FOR COSPONSORSHIP OF THE ROSSMOOR COMMUNITY FESTIVAL

**RECOMMENDATION:**

Approve the request of the RHA for cosponsorship of the Rossmoor Community Festival event.

**BACKGROUND:**

For several years, the RHA has conducted an annual picnic at Rush Park. The event is for one day on May 1st with activities much like last year. The RHA is once again requesting that the District cosponsor the event (no fees for the use of the park or District staff costs). Cosponsorship requires a manageable number of staff hours in support of this of event. Last year, four District staff persons were required, with the RHA providing the remainder of the work hours.

**ATTACHMENTS:**

1. Letter dated September 23, 2015 from the RHA Requesting District Cosponsorship.



## Rossmoor Homeowners Association

P.O. Box 5058 Rossmoor, California 90721  
(562) 799-1401 [www.Rossmoor-RHA.org](http://www.Rossmoor-RHA.org)

September 23, 2015

Mr. Jim Ruth, General Manager  
Rossmoor Community Service District  
3001 Blume Drive  
Rossmoor, CA 90720

Subject: RCSD Participation in the 2016 Rossmoor Community Festival

Dear President Kahlert,

At the September 2015 RHA Board meeting it was agreed to sponsor the Annual Rossmoor Community Festival on May 1, 2016, the first Sunday in May 2016. This event will be for one day and will follow the format we had success with in 2014 and 2015. It will incorporate lessons learned that were documented in after action reports by the RHA and the RCSD team participants for the 2015 Festival.

As a first step in preparing for the Annual Festival in 2016, the RHA Board of Directors invites the RCSD Board of Directors to co-sponsor the event. The RHA Board also requests that the RCSD reserve Rush Park for this one day event on May 1, 2016.

The RHA Board of Directors has established a Festival Committee chaired by Beverley Houghton and supported by other Board members. We look forward to continuing to work with Mr. Chris Argueta and the RCSD Recreation Director.

The RHA Festival Committee will be holding monthly planning meetings, normally on the third Monday of each month at 7:00 PM in the Rossmoor Park Community Center. At these meetings we will be confirming the overall schedule of activities required to achieve a successful 2016 Festival, assigning responsibilities, and getting updates on assignments. We have already determined that the High Heel Race sponsored by We Care will not be held in 2016 and the Festival will begin at 10 PM and close at 4 PM based on our after action assessment for the 2015 Festival. Other Festival Committee actions will include assessment of possible reconfiguration of the layout of games, rides and the stage.

As in previous years the RHA Board of Directors also would greatly appreciate it if the RCSD Board of Directors would provide the stage for entertainment and presentation of awards for this event as the RCSD has done in previous years. We also request use of RCSD chairs and tables as needed for various events and RHA booths. We will provide canopies. We are asking the vendors to provide their own canopy, tables and chairs. The expected count for chairs and tables for yourselves, the RHA and other community

groups will be provided by April 15, 2016. Finally, we will need RCSD staff at 7:00 AM and 6:00 PM to

1. Unlock, and remove/replace blocking posts on sidewalks/driveways for vendor vehicles;
2. Turn on/off power to light post outlets along the park sidewalk;
3. Provide access to chair and table storage areas in the RCSD facilities; and
4. Periodically check and service restrooms.

RHA volunteers will perform all other tasks for setting up, operation and takedown of Festival facilities, including collection of garbage and provision of a dumpster for the garbage.

All of the preceding commitments and tasks, as well as other activities are summarized a Memorandum of Understanding (MOU) provided by RCSD written and signed by Mr. Jim Ruth, General Manager of the RCSD and Mr. Mark Nitikman, President of the RHA Board of Directors in January 2015.

Should you have any questions regarding the Rossmoor Community Festival, please contact Mrs. Beverley Houghton 1<sup>st</sup> Vice President, RHA Board of Directors or the undersigned.

Sincerely yours,



Willard C. Gekler  
Secretary, RHA Board of Directors

**ROSSMOOR COMMUNITY SERVICES DISTRICT**

**AGENDA ITEM H-4**

**Date:** October 13, 2015

**To:** Honorable Board of Directors

**From:** General Manager

**Via:** Rossmoor Advisory Committee

**Subject:** **DISCUSSION AND POSSIBLE ACTION RE: REPORT OF THE  
ROSSMOOR ADVISORY COMMITTEE RE: LATENT POWERS.**

**RECOMMENDATION:**

Discussion and possible action on the Rossmoor Advisory Committee's recommendation to suspend the application process to LAFCO for latent powers until General Manager obtains sufficient information to make a further recommendation on whether to proceed or terminate the process.

**BACKGROUND:**

The Rossmoor Advisory Committee met on September 30, 2015 for an update from the General Manager on the status of the application process to LAFCO on latent powers. The General Manager briefed the Committee on the latest developments on the process as provided by direct communication with LAFCO's Executive Officer, Ms. Carolyn Emery, TAG consultant, Ms. Christi McDaniel and other agencies involved with applications for latent powers. Attached is the information provided to the Committee.

After discussion, the Committee voted to recommend to the District's Board of Directors that the application be suspended, but not rescinded. Suspension of the process will provide for a more comprehensive evaluation of the current and future landscape in this arena. Currently, three special districts (water and sewer) are engaged in their application process which is its third year and has accumulated substantial direct and indirect costs to these agencies.

Moreover, LAFCO will be conducting its five-year Municipal Service Reviews (MSRs) which will involve every municipal jurisdiction in the county, including Rossmoor. This will also severely impact the ability of LAFCO's staff to take on additional tasks. It is therefore recommended that the Board approve the RAC's recommendation to temporarily suspend the application process except for information gathering by the General Manager.

**ATTACHMENTS:**

1. RAC Committee Meeting Update dated September 30, 2015.



# **RAC COMMITTEE MEETING**

Wednesday, September 30, 2015

## **UPDATE**

Assessment of my meetings with Carolyn Emery, Executive Director of LAFCO and Christi McDaniel, The Orange County Advocacy Group (TAG), regarding acquisition of greater local control over Sheriff's services, animal care and possibly refuse.

Based on these discussions the following observations are made for your consideration:

1. Political Environment not good—County focus will be fiscal restraint—any annexations—consolidations, or divesting of services must be cost neutral.
2. Latent power issues will be closely scrutinized to assure that any revenue exchange must be offset 100%
3. Sheriff's costs will probably increase.
4. Potential competitive options must be assessed and evaluated.
5. Community support is absolutely essential.
6. LAFCO will look for strong assurance that the District has the capacity to manage its assets and financial resources.
7. Based on the process that agencies must go through, particularly with the MSR now required, the process could take at least one year.
8. Rossmoor must put the past behind them and take a fresh approach with a good education program on why we want these additional powers. Are there better cost effective options? Will the community support these additional powers?
9. The process will require significant resources of time, financial expertise, interaction with other stakeholders and could be costly even with some LAFCO staff support.
10. What political challenges does Rossmoor have with the coming election 2016—Continuity important.

In addition to these considerations I have talked to The Orange County Sanitation District and the General Manager of the East Orange County Water District, who are going through a Latent Powers application process at this time. Their process entails the transfer of the sewer system serving Tustin to the East Orange County Water District.

This process has taken almost two years and is not completed yet. The Irvine Ranch Water District has also submitted a proposal to compete for this transfer from OCSD, allowable under the LAFCO regulations, and actually encouraged in order to get the most competitive value and level of service for any Government Agency pursuing latent powers.

The Sanitation District is neither the applicant nor an alternate provider in this process. Their costs to date are approximately \$81,000 in staff time and \$25,000 in legal fees. The East Orange County Water District has spent approximately \$200,000 to date on staffing, legal fees and consulting services. Both agencies have described the process as being very time consuming, difficult and costly with no guarantee of the outcome. This is the only latent powers process currently active that we are aware of.