



**ROSSMOOR COMMUNITY SERVICES DISTRICT**  
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**STATE OF THE DISTRICT**

**2013**

Presented By:

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Rossmoor Community Services District

Calendar year 2013 began with a spirit of optimism. The doldrums of the previous years' economies had begun to dissipate. Homes in Rossmoor were once again being marketed for sale and there was a marked increase in home renovations. This, of course bode well for the District's revenue stream from property taxes; nonetheless, the District's budget continued to reflect a conservative approach to spending.

The first major indication of changes in the government economy was a more robust outlook from the State's budget office in their May Revised report which showed an increase in overall revenue for the first time in several years. The legislature then adopted a budget that was passed on time and without the acrimony of past years.

Orange County, however, was dealt a financial blow by court decisions which affirmed a huge loss in property taxes due to the State's taking of Vehicle in Lieu Funds (VLF); funds which, had they been transferred to the County's General Fund, would have been safe from the takeaway. The County also lost a court decision regarding their attempt to take back pension benefits awarded on a retroactive basis. Overall, County finances point to reductions, in both employees and services, neither of which have yet to be experienced by Rossmoor.

Once again, the District received an unmodified audit for FY 2012-2013—the highest possible rating. The audit included a finding that there was a substantial reserve in Fund 30, the District's Wall Fund. The required reserve for the fund is \$47,000 with the actual reserve amounting to \$173,145. The District's Auditor agreed with management's response to utilize those excess funds for necessary repairs to the wall. The Board concurred and repairs are now underway.

The District's Capital Improvement Program (CIP) focused on one minor and one major project. The Auditoriums HVAC system was upgraded, replacing all of the heating units and external air conditioning compressors not previously replaced. This completed the upgrade to the entire system.

The major project undertaken was the rehabilitation of the Rush Park Playground (Tot Lot) to comply with both new safety and ADA (accessibility) requirements. The project was completed at the end of year with new equipment, surfacing and new sand. This project brings all of the District's playgrounds into full compliance with the new regulations.

Another capital project of much lesser proportions, but of a high significance was the installation of Rossmoor signage at the three main corners of the Rossmoor Village Shopping Center. While the immediate threat of the taking of the Center by the City of Los Alamitos has abated for now, the District's Board of Directors felt that creating a Rossmoor identity for what has been termed the "fourth

corner” was an essential component for retention of the block bordered by Katella Ave, Wallingsford, Los Alamitos Blvd. and Hedwig Rd. within the boundaries of Rossmoor. The Rossmoor sign at Hedwig Rd. and Los Alamitos Blvd. has been installed, the sign at Wallingsford Rd. and Katella Ave. is almost finished and the sign at Katella Ave .and Los Alamitos Blvd. is in final design.

Rossmoor is also celebrating its third year as a designated “Tree City USA” by the Arbor Day Foundation. In order for a community to receive such a designation, strict standards must be adhered to in the management and preservation of trees located in its parks and parkways.

The community’s Urban Forest continues to be a major priority for the Board and the residents of Rossmoor. Work continues in the planting and maintenance of over 5,000 trees. One area containing a number of vacant parkway tree sites was around the perimeter of the community’s four elementary schools. Because of the lack of water and resources to maintain newly planted trees, the District discontinued planting new trees due to their low survival rate. This year, the District met with the School District in an attempt to reinstate tree planting at these sites. Utilizing the District’s Sapling Watering Program in partnership with School District Personnel, has made it possible to plant and care for new perimeter parkway trees as soon as construction is completed at each elementary school site.

In years past, the District’s Board and staff were heavily engaged in matters of governance. Based on what was considered flawed analyses by the Orange County Local Agency Formation Commission’s (LAFCO) consultants, the District undertook its own analysis of the true costs and revenues for services provided to Rossmoor by the County. After the previous year’s attempts to secure valid data from the County, our determination finally succeeded in yielding reliable financial records as a result of our Public Record’s Requests.

The District then engaged the services of the Harvey Rose Co. to analyze the data and to provide an answer to the question; was Rossmoor a financial drain on the County or was it instead, a donor. The analysis demonstrated a resounding,” YES”, Rossmoor was a donor to County of approximately \$1.3 million dollars. To further validate this finding, the analysis was reviewed by the County’s Budget Manager and their Property Tax Section Manager. Their review resulted in a slight reduction of the donor amount to approximately \$1.1 million dollars, a sizeable difference from what was previously reported by LAFCO as a \$600,000 drain to the County.

Now that the myth of Rossmoor as a financial drain has been dispelled, the District is set to commence its goal of obtaining additional latent powers to provide more direct services to the community at no additional cost to our residents. A major component of that endeavor was the hiring of a new General Manager, Mr. Jim Ruth. He possesses a broad depth and breadth of experience at all levels of local government. As the County’s former CEO, Mr. Ruth has an intimate knowledge of the workings of county government which should prove to be a valuable asset toward the goal of securing latent powers for Sheriffs services, animal care services and refuse collection services.

Efficient and cost effective service delivery to Rossmoor’ residents continues as the mainstay of the District. Each service component is continually examined during the development and approval of the Annual Budget. The District has been able to maintain a balanced budget each year with a modest carryover for the following year. Moreover, with the prudent use of funds not needed for on-going services, the District has been able to create funding capacity for improving its facilities for the use of its

residents. Unlike most local agencies, the District has no unfunded liabilities or debt; operating on a pay-as-you-go basis with a limited staff. Our service delivery system continues to meet or exceed the needs of the community for District services. We have proven that the special district model is a most efficient form of government. The provision of additional services by the District would only enhance that efficiency.

Also during 2013, the services of a valued Board member, Director Jeffrey Rips were lost due to a promotion to the helm of his private employer, the Alpert Jewish Community Center in the City of Long Beach. Mr. Rips felt that he could no longer devote his full attention to his duties as a Director of the District and his resignation was regretfully accepted by the Board. The Board then opted to fill the vacancy by appointment rather than incur the high cost of a special election. After an interview and appraisal of the qualifications of applicants for the position, the Board selected Mr. Tony DeMarco to fill out the remaining term of the Board seat which expires in November of 2016.

As an added service to its residents, the District has served as an advocate for issues not directly under our jurisdiction. A most prominent issue was that of opposing toll lanes as a part of the proposed I-405 Improvement project. In cooperation with our neighboring communities, we were successful in convincing the Orange County Transportation Authority, that toll lanes would result in gridlock at the juncture of the I-405/I-605 with an unnecessary increase in noise, air and light pollution to Rossmoor. While the issue is not entirely resolved, the voice of the community was instrumental in bringing the matter to OCTA's attention.

Always striving to conserve energy and resources—especially its beloved trees, this past summer the District instituted a paperless system for producing its public meeting agendas. In combination with its twelve monthly Board meetings and numerous Committee meetings, valuable resources and costs have been reduced by having the board and staff view agenda packets on iPads via the District's Wi-Fi network during these meetings. The public is able to view the entire agenda packet from the District's website where they also enjoy enhanced access to media and important public information. The District's website continually provides the public with up to date notices and developments. Further residents who join the District's mailing list receive notices and alerts on a real-time basis. Moreover, any resident who wants information on the District's finances can do so by accessing Board Agendas which are updated monthly.

The year ahead is one with strong indications for optimism. The housing market is becoming more robust and with it comes a push for better performance in other sectors of the economy. While the economy is not yet fully recovered from the crises of the recession, continued progress is evident. Though interest rates are a boon to the housing market, investment opportunities are scarce. Therefore, savings and reduction of debt bode well for the future.

In spite of all the turmoil that has been experienced in the last five years, Rossmoor continues to be the model community—best described as “an island of calm and tranquility”. Next year promises to be one of opportunity. All that remains to be said is “carpe diem”; seize the day.