



Board Agenda Item 38

DATE: February 28, 2017

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Budget Resolution for County Service Area 33, Malaga

RECOMMENDED ACTION(S):

Adopt a Budget Resolution increasing the FY 2016-17 appropriations in the amount of \$2,500 from General Reserves for County Service Area 33, Org 9173. (4/5 vote)

The recommended action will increase appropriations to fund the costs associated with the payment of the utility invoices for County Service Area 33 (CSA 33).

ALTERNATIVE ACTION(S):

If the recommended action is not approved, CSA 33 will lack the needed appropriations to fund costs associated with the payment of the utilities this fiscal year.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended action. CSA 33 activities are funded by assessments, and interest earned on cash reserves. Approval of the proposed Budget Resolution will increase FY 2016-17 appropriations in the amount of \$2,500 for County Service Area 33 Org 9173. The costs associated with this action will be covered by General Reserves and will be used to pay the costs of the utility invoices.

DISCUSSION:

CSA 33 was formed in 1981 to provide street lighting for the Malaga Community. In 1984, the McNeill- Fresno Industrial Park and adjacent area, referred to as the Shapazian-McNeill Annexation, were annexed to CSA 33. Only street lighting is provided throughout CSA 33 while the Shapazian-McNeill Annexation receives both street lighting and landscape maintenance. CSA 33 contains 225 developed parcels including twelve industrial parcels. (see Exhibit A)

Street lighting provides a benefit for residents of a community by making nighttime travel safer as they move by foot, bicycle, or vehicle from place to place within the community. All owners of developed properties share these benefits regardless of zoning or use of their property; therefore share equally the cost of the service.

A finding was recently made that the utility costs associated with the street lights in CSA 33 were linked with the now inactive County Service Area 18, Calwa (CSA 18). Once CSA 18 became inactive the utility bills for CSA 33 were not paid and are now past due. The current budgeted appropriations are insufficient to cover expenses which have been and would continue to be incurred by CSA 33 for these utility costs. After reviewing the current finances of CSA 33, staff asks to increase budgeted appropriations by \$2,500 in FY 2016-17.

For the reasons cited above, the CSA 33 budgeted appropriations need to be increased. If the proposed budget resolution is approved, the FY 2016-17 appropriations for CSA 33 Org 9173 will increase by \$2,500 from the CSA 33 general reserves. The estimated reserves at the end of the fiscal year will be \$88,736.

ATTACHMENTS INCLUDED AND/OR ON FILE:

Exhibit A

On file with Clerk - Budget Resolution

CAO ANALYST:

John Hays